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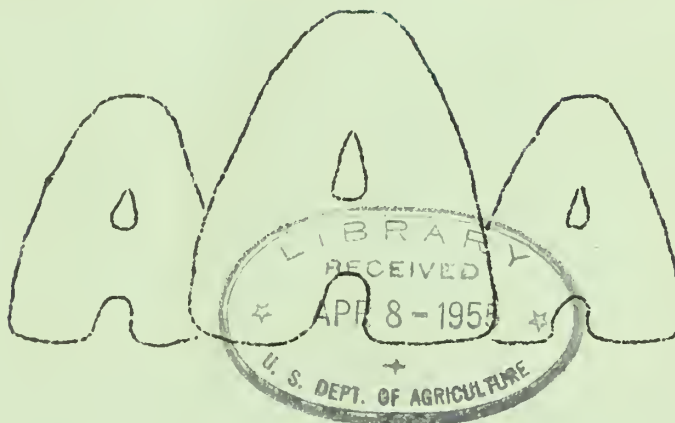
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(INF. - Meetings -  
Program Education - 5)

IDAHO 1945



CONFERENCE

*of*

COUNTY COMMITTEEMEN

Lewiston, Idaho  
January 22-24, 1945

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## FOREWORD

The following material covers the state Triple-A conference held January 22, 23 and 24 which was attended by state and county committeemen and secretaries, and by agricultural leaders throughout the state. This is the fifth conference of this type during the lifetime of Triple-A in Idaho. Due to wartime conditions it was deemed advisable to dispense with annual meetings in both 1943 and 1944.

The conference was held in North Idaho at Lewiston, Idaho's only seaport -- a city where city officials, businessmen and farmers alike are famed for their gracious hospitality.

An address of welcome by V. E. Clements, mayor of Lewiston, opened the conference. The meeting was keynoted by the address of G. F. Geissler, director of Western Division, AAA, in which he emphasized the farmer's responsibility in the war with the following statement: "When we first entered the war, people generally believed that we had unlimited supplies of food and that we should concentrate our efforts on building tanks, guns and other materials for war.....People later became more concerned over food, some prophets even predicted famine within a few months. The fact that the famine never developed -- everybody has had enough to eat -- has led to a nationwide appreciation of the job our farmers have done.....But our job is not done yet; we probably have the hardest job ahead of us.....because it is a job of eternal vigilance to see that our resources are utilized in the best interests of the nation, the consuming public and agriculture."

1. The first part of the paper discusses the importance of the study of the history of the United States. It is argued that a knowledge of the past is essential for a full understanding of the present and for the development of a sound policy for the future.

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The Job Ahead for Idaho Farmers  
by G. F. Geissler, Director, Western Division, AAA

Mr. Chairman, ladies, and gentlemen: I think the suggestion of abolishing welcoming addresses is a good one; and I wish they would abolish the idea of a Director having to give a talk at a meeting like this. I feel that I am out here to learn as well as to teach. I want to know -- and I think we need to know what your plans, operations, and possible accomplishments might be. For that reason, I would rather spend most of my time finding out what you folks are thinking rather than to tell you what I think you ought to be doing. I am going to take this opportunity to point out a few things as we see them in Washington, but that doesn't mean that there can't be arguments about them; please straighten me out on them if I am wrong -- that's part of learning at this particular meeting.

Before we go into our job and our requirements for 1945, we should spend just a minute in reviewing what we have done in the last four years in connection with food production and the war effort. It is a remarkable record. When we compare those last four years with the five-year period immediately preceding the war, 1935-1939, this is the picture: In 1941 we produced 115 percent; in 1942, 125 percent; in 1943, 132 percent; and, on the basis of the December crop report, it looks like in 1944 we probably produced 136 or 138 percent of the 1935-39 average production. There are 17 percent less people on farms. We haven't had all the machinery we needed and had transportation difficulties besides.

Someone is sure to say we have had exceptionally favorable weather -- but weather alone can't do the job. We have to plant and harvest; weather can't do that for us. In Ohio, Mississippi, and Missouri, acres were planted late in the spring because of the earlier flood conditions, and some acres couldn't be planted at all. Through the Middlewest corn areas, crops were planted two or three weeks late. We are grateful and thankful for good weather conditions, but I think the farmers have done a commendable job when you stop to think of the conditions under which they have had to do it.

I want to tell you that the farmers' production job is very well recognized by the country as a whole. When we first entered the war period, it was hard for us in Washington to do a good job of helping the farmers because everyone was of the opinion that we had unlimited supplies of food, and everyone thought we should be building tanks, ships, guns, and so forth. About then we got a better understanding with the War Production Board. People then became more concerned, and some prophets predicted famine in a few months. The fact that the famine never developed -- everybody has had enough to eat -- has led to a definite appreciation, nation-wide, of the job that our farmers have done.

Our job is not done; we probably have the hardest job ahead of us. Mr. Spoor will talk to you about food requirements and probably will tell you that there is a definite possibility of our having our most serious shortages in the future rather than in the past. Butter, meat and several other items probably will be extremely short in the last half of 1945 and the first half of 1946, and just how short will depend upon how we do our production job.

The goals set this year for future production were not easy to determine. For one thing, this was due to the uncertainty of the war. Our requirements are translated into acreages or livestock units of production. We know that our future needs and pattern of needs will be quite different, depending upon war conditions for one thing, the future situation abroad and our needs in the light of that, the domestic income level, and our own production hazards. As a general policy, we couldn't plan on better than normal yields. The goals suggested and recommended this year should produce about 125 percent as much as in the 5-year pre-war period. Another factor taken into consideration is our production capacity -- requirements are higher than our goals will provide. There is no use in setting up goals which are beyond the production capacity of the farmers of the country. We have limitations of acreages and feed supply, processing facilities, labor, transportation and storage which had to be taken into consideration.

I believe that our national goals for 1945 have been set up on such a basis that they are attainable from the standpoint of production facilities. They are not much changed from the past year; however, there are some shifts. This year much more emphasis is placed on increases in sugar beets, flaxseed and dairy products, but reduced acreages of dry peas and SxP cotton. Fewer eggs has been emphasized also. By no means should we think our goals are not as important as in the past. It will be extremely important that we concentrate our limited facilities entirely on the things we need. It might be convenient to over-produce a certain crop, but by doing so, farmers will use acreages, labor and other facilities that should be used to meet other goals.

Another point to consider is the matter of the price support program. Practically all our goals this year have definite price supports. All of us will agree that's a fine thing. Your Congress and your government feel some assurance of what their returns will be. Judge Jones probably feels more strongly about price support programs than anyone else. To him the announcement of price support programs amounts to a contract with the individual farmers. Whenever a commodity out here starts to sell under the price support program, we just don't have much peace around the War Food Administration until that is corrected. The effect of these price programs, of course, is conditioned upon the amount that we produce. The reason that some of our price control programs were not too effective last year was that production was in excess of what had been asked. Egg production last year was so high that we just didn't have crates or storage or grading facilities to handle them. As a result, the price control broke down for a period of a few weeks. Then we made it work, but we bought many eggs that we couldn't use and there was a loss of some \$10,000,000 in egg production. I stress this because of the importance of hitting the goals on the nose as much as possible in 1945. Then we will have no trouble so far as price programs are concerned.

Just because I have talked about a few surplus products, don't get the impression that our big job isn't producing enough of the right kind of commodities. In discussing your goals here and assigning the goals to the farmers, let's keep in mind that we want this production where it can be handled. We have had a lot of difficulty in the past because some one heard that increased production of, say, potatoes was wanted and grew an acreage of potatoes. Not having any marketing or grading facilities for them, such a producer probably didn't make out very well on his potatoes. In 1943, Eastern Montana run into this situation with potatoes. The weather was favorable, and they produced a lot of potatoes but there were no marketing facilities. We had made price support commitments, and we finally had to dehydrate them for livestock feed, and it was expensive.



Our No. 1 job is winning the war, and I don't want to detract from that by any remarks I might make this morning. But I would like to direct your attention to some problems confronting us this year relating to the post-war period. As we get closer to the end of the war, these will begin to take shape -- even before the war's end. I feel that in 1945 our policy in regard to agricultural adjustments and how they are going to be made, our price policy, our policy in regard to distribution and the relation of agriculture to the entire domestic economy will start to take shape. In spite of the fact that our No. 1 job is to get the war over, we can't wait until the war is entirely over before we raise these specific problems. We can't say now what they will be, but we know we will have problems and adjustments because our pattern of need will be different from our wartime pattern. We know that after the war the production of oil crops, for one thing, will have to be decreased. I think we ought to start to think this year what we want in the way of programs to handle that sort of situation. All of us agree that our production must be planned in line with our needs, and we have been able to see during this war just how effective it can work. We have made terrific adjustments and we are going to have to make re-adjustments in the post-war period -- and it is not going to be as easy then as now. Most anyone during wartime will take kindly to suggestions and try to follow the pattern, but it may not be so easy after the war. It is going to require a complete understanding on the part of our farmers if we are going to be able to do it in that way after the war. You would do very well to spend a certain amount of time just thinking a little bit about what these problems might be.

This is primarily a meeting of county committeemen and county office people. I would like to dwell on the responsibility of county, community and state committeemen. I think you might discuss those responsibilities very seriously among yourselves. Nearly every time I make a field trip, fellows come to me and say, "You'd better find yourself another county committeeman. They either want to quit or don't give enough time to their job or they feel they can't afford to stay on the job. I don't think you can afford not to stay on this job. I know my temptation has been great to go back to my own ranch. Conditions always are particularly bad when you can't be there yourself. I know well that we in Washington -- your Congress, the Department of Agriculture, in fact, the entire government -- can't do anything at all unless you folks are on the job. So, when you get to feeling that you can't afford to spend a day away from the farm, stop and think that you can't afford not to continue.

When I think that we haven't the remotest idea of what our future problems might be, I get very pessimistic unless I remember that we have 120,000 community and county committeemen who are pretty cognizant of the problems in their areas. They have developed their thinking strongly and on a broad horizon. Ten years ago most of us confined our thinking just about to our own township or our own county. Very few thought about the nation as a whole. We are going to have to think on a national level and on a world level if we are going to develop sound agricultural programs in the future, and these 120,000 committeemen have developed to a point where they can think that way. It is only those who can do that thinking who can give the farmers the information they need and transmit farmers' thinking back to us in Washington. Hard work gets the job done.

This is your responsibility in connection with your particular job: First and foremost, as committeemen out here -- county, community or state -- you represent your farmers, and you have the responsibility of gathering up

the thinking of those farmers in regard to the type of programs needed in order to get needed production and conservation of soil for future production. You need to get their ideas into the picture so that the programs which ultimately come back to them will fit the conditions in that area. Then, after the programs come back, your responsibility to the farmers means that you ought to administer the programs so that the farmers will get the greatest possible benefits -- benefits much more lasting than just dollars and cents. As representatives of the farmers, you have the responsibility of giving them all the service you possibly can. I know that your job is tremendous. The farmers need help and advice and do not know where else to go, and it is your responsibility to help, and to give them the answers they want, or direct them to the place where they can get the answers. The boss of all of us is the man on the farm rather than someone else on the other end. So I don't think we could do too much in that direction. We have to do real planning and you folks are doing that.

At the same time, as committeemen under the legislation directing AAA, you also are representatives of your government, and that is a fact we should never overlook. This democracy of ours is a government of public opinion. So long as people observe something is worthwhile, public opinion will continue it. But as soon as people observe from our activities that the intent of the law is not being followed, public opinion will swing the other way. I feel that as representatives of our government we have the definite responsibility to see that the programs we have are administered in line with the law that provides them and the intent of those laws. We are spending the taxpayer's dollar. We, as farmers, are paying our share of taxes, but over three-fourths of the people in this country are not farmers and their money goes into the farm program too. If they get the feeling that we are not accomplishing what we should, they are not going to be willing to let their tax dollar go into our program. We must see that we get the most possible out of the programs we have, not in the way of payments but accomplishments -- and the most efficiency out of our administrative set-up and the funds provided.

We have tremendous changes in the kind of job we have to do in the past ten years. Our jobs never lessen but are always increasing. And we have the responsibility of a dozen different types of programs. The reason jobs have been assigned to us is because of our performance in previous tasks. Recently the War Food Administration has had some re-organization and the Office of Production was entirely eliminated. Its work was loaded upon AAA. Recently crop insurance was re-enacted and, while the definite policy has not been spelled out at this time, conferences indicate that we are going to be asked to assume a great deal of responsibility in its administration. It should make us feel pretty good to have responsibility handed to us; but it is sobering, too, because there are so many jobs for us to do. It seems to me that the entire time of this conference could be devoted to working out plans so that the greatest number of farmers can receive the help they are going to need so badly in the next year.

Undoubtedly you will be discussing here means of getting farm plans signed. This last year I looked at farm plans in some of the county offices in the region. Frankly, the thing I saw wasn't very good. Most of the plans were signed up for participation in the program, but there was very little planning done in production and conservation. We have those forms to fill out and sign because we feel that if a good job is done the farmer will know all he needs to know to make the maximum contribution to production and to take the best care of his farm in conservation. If we fail to accomplish that, we might as well discontinue the conservation program.



Another thing I would like to see discussed is farm allowances. This last year in the Western Region we tried to get away from the farm allowance. We allocated a certain amount of money to every state. And you determined by your own method just what allowance each farm should have, based on conservation needs of the farm rather than a formula. Out of last year's experience developed a plan that could be tied in with conservation needs. For 1945 we have a definite plan which will enable us to commit ourselves to each farmer in the Spring for a specific amount of money for his farm, based on conservation needs of that farm and no more. If he carries out his plan, we will pay him off 100 percent on the dollar. If we under or over-commit ourselves, we will be in trouble.

I think we should talk quite seriously about our program regarding compliance. We should also discuss at this meeting just what our policy should be in connection with program planning so far as conservation is concerned. Let's set up some principles and some standards of practices we want to recommend to see if they meet those specific requirements. We have to meet soil and water conservation before the program can continue. And we have a limitation on the amount of funds we have to use. We have worked on goals and goal work and plans of production in the state for over six months, and, of course, we have worked only with the plans and the figures.

You folks are going to make definite plans at this conference, but actual production will not take place at this time. Your plans are made here and the determinations made at this meeting are becoming more and more important all the time. Let's work seriously to make the best plans we know how, and go back to give our folks the best information we can. If we furnish enough information to our farmers in connection with their units and our program, our administration work will be reduced by 50 percent. Now we must spend at least half of our time on cases of misunderstandings because the individual didn't have the right kind of information. Let's make plans so the farmer will have all the information he needs to know in connection with production on his farm.

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The War and Food Requirements in 1945  
by E. H. Spoor, Field Relations Officer,  
Regional Office of Supply, San Francisco

It is a great pleasure to be here this morning. I come from a neighboring state. When I left California, we did not have nice weather as here this morning. California, you know, is the state of superlatives. We have the biggest of everything, including liars. -- I want to pay tribute to Idaho potatoes. I want to pay tribute to Idaho apples and fruit grown in a colder climate. They are far superior to that grown in a mild climate under irrigation.

I want to ramble around a little here this morning. We can't discuss farm problems, production goals, disposition of food any day without winding it entirely around the war. A war which you and I started. Because you and I were so busy with our own ratkilling on our own ranches that we -- nor other people engaged in other pursuits -- didn't take the time to analyze the problems of a world on the verge of war. We didn't reflect our thinking as it should have been. We followed the line of reasoning that if there is horse stealing in Clearwater county, we in Nez Perce county don't need to be concerned. When Japan took Manchuria, when the Germans went into Czechoslovakia and Poland, it still didn't concern us. We were warned repeatedly but we didn't listen. When we were warned that Japan was arming heavily in the Pacific, we didn't do a thing about it. Yes, we did too. We continued to send to Japan the fuel which she is still using to fly her zeros today and the scrap metal which is killing our boys on the battlefields. When General MacArthur made a public speech in Baltimore, Maryland a few years ago stating what was happening in the Pacific, telling us that the Japs were getting ready to attack and in his opinion we should move in to protect ourselves, he was booed in the auditorium.

If we are going to continue the democratic form of government in this nation, we have to do a little more thinking about this war and our experiences in the past. I predict that the youngest person in this room will not live to see the day when the present national debt will have been paid. You haven't seen anything yet. You are paying around 20 percent tax now on the largest income farmers have ever received in the history of this nation. If I can remember the latest figures, in 1942 we had about 6½ billion dollars national farm income. In 1944 we passed 20 billion dollars -- three and one-half times as much. Today there are those who are talking about tax reduction as soon as the war is over. At the rate we are going, we can't have any appreciable tax reduction in this country. It will cost 20 billions just to operate our government. Many of you gentlemen here were in the last war. Many of you belong to the American Legion just as I do. A few years ago we got a nominal sum as a bonus. It ranged in some instances to around \$1600. or \$1700. per man. It was a few dollars. When boys now in the service come home they are going to be pretty potent. Already we are talking compensation for our veterans, not in dollars but in thousands for every boy, and prolonged years of war are going to increase our debt.

I know of apple growers who recently have netted \$500. an acre. For 10 or 12 years we had a tough struggle -- all of us in the fruit business. But it is paying off pretty well now. But even if your tax rate is cut in two, you will be paying more taxes in proportion to your income in the future than you are paying now on \$500. an acre net income. Now you are paying 20 percent, or



\$100. Everybody agrees that the income of farmers is going to settle back some after the war. We hope we are smart enough to work out a program which will preclude very low incomes. But if your income is cut to \$250. an acre, you actually will be paying twice the taxes in proportion, because you still will be paying just as much as you pay today.

To many this war can be likened to a football game. We had the first quarter when the Japs attacked Pearl Harbor and made an immediate touchdown. Then we scored in North Africa and ran the full length of the field. We had a long struggle there and then finally we scored in North Africa. I listened to an admiral in the Navy say that had Japan taken advantage of the situation just after Pearl Harbor, they could have occupied all of southern California. In the North African campaign, had Rommell known what our generals knew, he could have been in Cairo without much trouble. We get into the second quarter in Italy. We didn't do much scoring there. We haven't yet got Germans out of Italy. We will be lucky if the European war is over in 1946. That is going to affect food requirements.

After the half period, we come in for the third quarter and, as you know, the losing team always has a psychological effect. We entered Europe and made landings. Had the Germans pursued their advantages in England after the fall of France, they could have landed much easier there and took what they wanted much easier than we have in Normandy and France. Then the other team came back and we have what happened in December. I'll bet a nickel there will be close to five divisions or 100 thousand men lost, dead, wounded or prisoners of war. What else could it do but prolong the war? That was the worst thing it did, probably the better part of a year. So, as we go into the fourth quarter, it is nip and tuck. We are going to win but at a tremendous cost in lives. Our military men say "Don't expect less than one million casualties." That is indeed a sacrifice and I don't think I am exaggerating.

What does all this have to do with food requirements? It has a great deal to do. As Gus Geissler told you, that is why the 1945 goals are realistic goals. They did not set a lot of fantastic goals which could not be reached. They set goals that could be reached with present labor, machinery and sweat of the farmers. Generally, there is just a little more than we had in 1944, but the average is about the same as in 1944 with a 50 percent increase needed in sugar beets and flax, and with a lot less peas and onions than last year. We went into this war -- thanks to Henry Wallace or thanks to a period of over-production or under-consumption -- with tremendous quantities of feed and fiber, corn and wheat, cotton and wool on hand. Now, after three years of war with our production stepped up from 36 to 38 percent more than the pre-war period, what do we find? We no longer have surpluses. We have on hand today 400 million bushels less corn than at the start of the war; about 300 million bushels less wheat than two years ago. In order to get enough feed to keep the increased numbers of livestock alive, we had to import wheat in large quantities from Canada and Australia.

We have gotten over the hump on feed. Gus didn't attribute all our production to good weather, but if we hadn't had good weather like we have had the last three years, we would have lost out and had to shove our stuff on the market in a distressed condition approaching the drought situation in 1936. But we got by. We can gear ourselves to an all-out effort with the throttle down to the floor board now with few individual commodity adjustments. Where does it go because we are producing 137 percent of what we produced before the war? The



biggest consumer is not the army. It is our civilians in this country because they now have money to increase their buying 7 percent. In 1943 we turned over to the army and to lend-lease -- principally Russia and Britain -- about 25 percent of our gross production. Take that 25 percent and add to it the 7 percent additional going to civilians. We have another 10 million more population than during the average of the pre-war 5-year period. That adds another few percent. In addition, we have the American Red Cross, Greek, Italian, French, Polish and Yugoslav relief, Hawaii, Porto Rico, Virgin Islands, Alaska and other territories to supply, many of whom got stuff from other sources before the war. We have other rehabilitation needs abroad to the effect that our increased requirements for food in 1945 are greater than the 37 percent increase in production. That will mean civilians in this country in 1945 will have less food per person than we had in 1944. It will, however, be a larger amount of food than in the base period 1935-39.

We have shipped and will ship less than 5 percent of our butter production to channels abroad other than to our own army. When you hear stories about Russians greasing their boots with American butter, you can attribute it to the very effective German propoganda still operating in our own country.

In my opinion we have far more to worry about from the clever German propoganda than from the Japs operating on the coast. They are too easily identified. There may be people in this very room who are more sympathetic with Germany than with our own country.

At the moment Russia has too many of your peas from Idaho but she is very short on beans. The army is short on beans. We can't get 44,000 bags of beans a month to ship to Porto Rico; we are that short. In 1943 we shipped under lend-lease approximately  $11\frac{1}{2}$  billion pounds of stuff; last year only  $7\frac{1}{4}$  billion pounds. But in 1943 we shipped over there great quantities, much of which was lost in submarines. We now are losing some cargoes in the Atlantic and some stuff in the Pacific. The recent German success which spelled tragedy, but not catastrophe, for us in Europe accounts for millions of pounds of food lost. We had to move back so fast recently that we couldn't even burn up our own gasoline. We had vast quantities of food which had been lost and will have to be replaced.

We shipped less food to Russia in 1944 than in 1943. We all thought the war was almost over so we got all involved with post-war planning. We can profitably hold off post-war planning for awhile. Lend-lease stocks overseas are depleted now, and in 1945 we need to ship heavier quantities to Russia and the same to England.

All of which sums up to this: Our 1945 food requirements will be the greatest in the history of the world. Civilian supplies will be less than those in 1944 and although the mayor said in his address that you do not wear uniforms I think you do -- it's blue denim. If we stick to these uniforms in 1945, we will bring this war to a close as quickly as possible and save billions of dollars and the lives of our own boys.

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Idaho's 1945 Food Production Goals  
by Milford J. Vaught, Chairman, State Committee

Under the direction of the Extension Service, a survey of the state's production capacity has been made during each of the past several years. At the same time, the nation's food requirements for the year ahead are determined, and from these two factors, tentative national goals are established. Then, on the basis of the crops we are most capable of producing, the national goal is broken down into state goals, and from there to county goals. Our county goals for 1945 won't be set finally until we hold our county goals meetings. We set out the tentative goals for the purpose of you folks looking over them, and this evening we will discuss them.

The goals established on paper for Idaho would be very easy to meet on paper. We have a reduction of some 100,000 acres of peas for the state, the majority of it in North Idaho. We have an increase of 20,000 acres of sugar beets, some increase in dry beans, a 3 percent increase in our tame hay goal and a potato goal approximately the same as last year. Right off the reel, it looks like it would be very simple, because we can reduce peas by 100,000 acres and increase other crops. In actual practice it doesn't work out. Peas are grown in North Idaho and sugar beets in South Idaho. In South Idaho we have these crops which are competing for the same acreages: tame hay to maintain livestock and dairy industries, potatoes, beans and sugar beets. The 37 percent increase in sugar beets, which we need more than anything in this coming year's program, means that we shall have to do some crop shifting. The only possible way of meeting a goal of that kind is to shift some of our grain production out of irrigated sections on to dry land areas. In 1943 we started on such a campaign and we told the farmers that it could be done and it was the only way to do it. We made this statement: "Do not plant wheat or field grain, and we will ship it in more economically than you could afford to produce it yourselves." When we had the majority convinced, we got a squeeze on feed wheat that had some effect on our 1943 shifts in production. As a result, a bigger acreage of feed grains was planted in 1944 than over a period of years. In 1945 if we are to meet these goals, we must sell the individual farmer on producing some of that feed grain on dry acres where they can't grow potatoes, sugar beets, and beans.

Last year we said that, if we were to meet our goals, we had to have an increased orderly marketing of cattle so our slaughter houses could handle the increased slaughter. If we were going to get an increased slaughtering, it had to be done over the entire period of the year. We slaughtered something like 7,000,000 more head of cattle in 1944 than in 1943. The job that we are tackling this year is not a bit more difficult than that job. Again we are asking for an increased marketing of cattle, and it can be done in an orderly way that won't glut our market.

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Price Support Program for 1945

by Alvin V. McCormack; Vice-chairman, State Committee

I know that, when it comes to price support, farmers are principally interested in supports on particular commodities and what, if any, strings are attached to them. I thought today I would go back a little way and give you folks some of the background and some of the legislation on which they are based. We can thereby have a better understanding in talking to the farmers and answering their questions on price support programs.

The Federal statutes dealing with price support for agricultural commodities fall into two main classes: First, there are the laws dealing directly with support price operations. Second, there are the laws dealing indirectly with the prices of agricultural commodities. This second group of laws operate in three ways: (1) They place limitations on the disposal of Government-owned or -controlled stocks of agricultural commodities; (2) they regulate the marketing and affect the production of agricultural commodities; and (3) they encourage increased consumption of agricultural commodities.

Now, the laws dealing directly with support price operations: These laws tend to divide the some 166 agricultural commodities into three groups: (1) The so-called basic commodities, (2) the so-called Steagall commodities, and (3) the other commodities. As you know, the "basic" commodities are corn, wheat, cotton, tobacco, rice and peanuts (for nuts). The "Steagall" commodities are those for which the Department has requested an expansion of production for war purposes and has made public announcement to that effect under the provision of the so-called Steagall Amendment. The Steagall commodities are: hogs, eggs, chickens (with certain exceptions) and turkeys, milk and butterfat, dry peas of certain varieties, dry edible beans of certain varieties, soybeans for oil, peanuts for oil, flaxseed for oil, American Egyptian cotton, potatoes, and cured sweet potatoes.

The "other" commodities, of course, upwards of 140, are the agricultural commodities other than basic commodities or Steagall commodities. Of these, the chief ones for which support prices have been announced are wool, naval stores, American hemp, sugar beets, sugarcane, black-eye peas and beans, certain fruits for processing, certain vegetables for processing, barley, grain sorghums, rye, Sea Island cotton, certain vegetable seeds, winter cover crop seeds, and hay and pasture seeds.

The law provides that farm prices of the basic commodities shall be supported by producer loans at 90 percent of parity in the case of corn, wheat, tobacco, rice, and peanuts (for nuts), and  $92\frac{1}{2}$  percent of parity in the case of cotton. These loans must be continued for at least two years after the war. When acreage allotments and marketing quotas are in effect under the Agricultural Adjustment Act of 1938, these rates are available only to cooperating farmers, and non-cooperators are entitled to loans only on that part of their production in excess of the quota and only at 60 percent of the rate applicable to cooperators. In the case of corn outside the commercial corn-producing area, the applicable loan rate to cooperators is only 75 percent of the rate in the area, and no loans are required to be made to non-cooperators outside the area. The law also provides that none of the foregoing loans are required to be made if marketing

quotas are proclaimed but are opposed by more than one-third of the farmers voting in the producer referendum. As you know, prices for some of the basic commodities have been supported at various levels by producer loans since 1933. Since the enactment of the Agricultural Adjustment Act of 1938, the law has specified the levels at which those loans should be made. The rate of price support has been changed by administrative or Congressional action from time to time. Soon after the war in Europe began, Congress fixed the loan rates on commodities produced through the calendar year 1946 at 85 percent of parity. With the enactment of the Stabilization Act of 1942, these rates were raised from 85 to 90 percent of parity and were made applicable for at least two years after the war. The loan rate on cotton was increased recently by the Stabilization Extension Act of 1944 to  $92\frac{1}{2}$  percent of parity. In addition, Congress has by the same act directed the President to take "all lawful action" through any agency of the Government to assure to producers of the basic commodities the higher of the parity price or the highest price (adjusted for grade, location, and season) received between January and September, 1942.

Now, with respect to the Steagall commodities -- hogs, eggs, chickens and turkeys, milk and butterfat, dry peas of certain varieties, dry beans of certain varieties, soybeans for oil, peanuts for oil, flaxseed for oil, American-Egyptian cotton, potatoes and cured sweet potatoes -- the law also provides for price support for at least two years after the war, at not less than 90 percent of the parity or comparable price. The provision just discussed, which directs the President to take all lawful action to assure producers the higher of the parity price or the highest price (adjusted for grade, location, and season) received between January and September, 1942, is applicable to the Steagall commodities also. The Steagall Amendment originally provided that, whenever during the existing emergency the Secretary of Agriculture found it necessary to encourage the expansion of production of any non-basic agricultural commodity, he should make public announcement thereof. Upon such finding and announcement, the Secretary was required to use Commodity Credit Corporation and other funds available to him for disposal programs, through commodity loans, purchase or other operations, to support a price for the producer of the commodity with respect to which the announcement was made, of not less than 85 percent of the parity or comparable price. Under the original law, the Secretary was required to continue the price support for any such commodity until he had given sufficient public announcement to permit producers to make readjustments in the production of the commodity. Just as the loan rate in the case of the basic commodities was increased from 85 percent to 90 percent of parity by the Stabilization Act of 1942, the minimum support rate for Steagall commodities was increased by that act to not less than 90 percent of the parity or comparable price. Also, the Stabilization Act of 1942 extended the duration of the support for Steagall commodities for at least two years after the war.

It will be noted that the Steagall Amendment provides for price support at not less than the 90 percent of the parity or comparable price level, and that it does not fix the level, as does the loan legislation with respect to the basic commodities. In other words, the Steagall Amendment establishes only a floor -- 90 percent of the parity or comparable price -- below which a support mechanism may not operate, and leaves the way open for price support at a higher level if such action is necessary to get needed production. The levels of price support for Steagall commodities range this year from 90 percent of parity for eggs and potatoes to about 130 percent of parity for milk and butterfat. It follows from what has been said that the price support for Steagall commodities



may vary from year to year or time to time, provided, of course, that at all times price support is equal to at least 90 percent of the parity or comparable price. In the case of soybeans, the price support was about 105 percent of the comparable price for the 1942 crop, about 110 percent of the comparable price for the 1943 crop, and is almost 125 percent of the comparable price for the 1944 crop. In the case of hogs, on the other hand, the trend of the support rate has been downward recently. Thus, while \$13.75 per hundredweight was the support level announced for 200- to 240-pound hogs through September 30, 1944, \$12.50 per hundredweight was the level announced at the same time for the period beginning October 1, 1944:

The Steagall Amendment provides for continuing price support for a two-year period after the war, when the need for increased production probably will have decreased considerably. Since the purpose of the two-year provision was to enable farmers to re-adjust their production to normal by the close of the two-year period, it is reasonable to conclude that production adjustment conditions related to changes in production needs may be imposed. This would make the position of the Steagall commodities comparable to that of the basic commodities, on which loans at the full rate are made only to cooperating producers when marketing quotas are in effect. Adequate notice of such conditions would be required, of course.

I think we can gather from that, that while the Congress is committed to support the price of these commodities for two years after the war, the legislation also gives them authority to ask for limitation of production on these commodities. Just a few days ago Congress told us they would support the price of dry peas, but only on the production of the goal acreage. I expect we may hear more about that in the next day or two. We all know and understand that the time is coming when we will have to decrease our production and it will have to be done through some sort of reduction program, with acreage allotments or something similar. The support prices for 1945 on the crops in which Idahoans are interested are as follows: Wheat, 90 percent of parity as of July 1, 1945; barley, 80 cents per bushel for No. 1; rye, the same as last year; flaxseed, \$3. a bushel at Minneapolis and the same at Portland, plus an added incentive payment of \$5. an acre. Flax is very short and an increase in production is needed. For oats there is no support program; while the support for dry beans is \$6.50 per hundredweight for No. 1 whites, \$5.75 for pintos, \$8. for kidneys, \$7.50 for limas, with 15 cents less for No. 2's.

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## Farm Labor Outlook for 1945

by Carl Izett, Office of Labor, Portland, Oregon

This matter of labor is of very much interest to all of you because it is one of the major problems in planning farm production. I represent the Office of Labor, with headquarters at Portland, covering the three Pacific Northwest states. The labor supply, as we see it, will be tight this coming year -- much tighter than last year -- and changes in draft regulations within recent weeks have not made the situation any easier.

As we look back over 1944, a report by War Food Administrator Jones shows these increases in 1944 over 1940: Total output, 21 percent; foods output, 23 percent; acreage in crops, 5 percent; use of commercial fertilizer, 45 percent; tractors on farms, 25 percent; crop yield per acre, 10 percent; output per worker, 28 percent; net realized income of farm operators, 170 percent; wage rates, 150 percent, and I might say that wage rates for Idaho have gone up more than that; and land prices, 36 percent more than in 1940. At the same time, we had 16 percent less farm population; 5 percent less farm employment; and our mortgaged indebtedness was 14 percent less than in 1940. These figures apply to the whole nation.

In the past year the Office of Labor has had the responsibility of moving, housing, and feeding quite a large group of people, mostly from outside this country. Our largest group has been some 25,000 Mexicans distributed over these states. In Idaho, most of them were maintained in labor camps. Next year this job is going to be a little tougher than last year. In 1944 we operated 35 camps in Idaho, mostly in the Snake River Valley, with capacity for 72,000 workers. The peak use of transported labor was in October, when we had the services of Mexicans, Japanese and Jamaicans. At one time there was a larger proportion of Japanese but later many drifted away from agricultural work into government war plants.

As we look back over 1944, we can say that no crops were lost because of lack of labor. The weather man had his arms around us, but there were times when the weather was bad. Even less than the normal amount of loss occurred in 1944 because of labor shortages. This is true of harvesting, but the processing plants had their troubles, which fall within the scope of the War Manpower Commission. We are called into the picture only when they certify they cannot handle the demands.

The problem of farm labor is a joint responsibility. The WFA Office of Labor had the responsibility of getting transported workers into this country by recruitment in neighboring countries, transportation from their country into our country, and allocating them where they are needed. It is the responsibility of the Extension Service to see that these laborers are placed and, before that is done, to survey the labor needs to find out how many men are needed and to certify to us in the Office of Labor the number of people needed. There are three major sources of labor to draw upon: Help recruited locally -- school children, white-collar workers, and anyone who wants to help out; prisoners of war, and this year the Army has asked that our needs for this type of labor be made known very early; and finally, after these two sources have been explored and an estimate made, to fill in with such transported workers to complete the crew to get the job done.

We are in a little better position this year than last; this year Congress was very kind and favorable toward this plan and our appropriation has been put on a calendar year rather than a fiscal year basis so we know how much money we have. The amount appropriated will be slightly less than last year, and we must try to operate an economical program as far as possible. I think we can do it, as we have last year's experience and equipment and other factors in our favor for the job.

This program brings in a high-premium type of labor. These men have their transportation paid, are furnished medical service and hospitalization, and are looked after generally like a member of the family, and then transported back to their homes, all free of charge to the worker and to the employer. As a result, it has been costing several hundred dollars per month to bring these people in and put them to work, and get them back to their own country. In 1944 the use of transported labor in the spring was not all that we would like to have it. The program was a little slow, and there was a lot of idleness and much manpower lost. In June, due to bad weather, we had a lot of lost manpower. During July employment was good. In August it fell off and we were forced to turn the men to the Forest Service for fire service and blister rust work. During the month of August we would like to have more farm employment, particularly for Mexican workers, because the contract says they shall be used for agricultural employment. Many sponsoring agencies could use men during this month on the farms if they really tried, and we'd like to have it done.

The recruitment of Mexicans this year is going to be more difficult than last year. The War Manpower Commission now is recruiting men in Mexico for industry, and so are the railroads. We may have to go as far south as Central America to get some of our workers. Every time we bring in these men we have a wage problem, just as you folks do. In some lines of activity wages are inclined to be low, and while it is always easy to move workers into high-priced areas where they can get more money, we usually have quite a fight on our hands to get them back. There may be some moves made to change the wage setup, particularly in sugar beets. I think I can summarize by saying that for 1945 we hope to get as many transported workers as we had last year.

On the basis of increased sugar beet acreage we may be a little short, but I think by using prisoners of war we can make up that deficit. We need more nearly 100 percent of their use which is going to require some planning on the part of the people using these men.

We will see fewer Japanese. There will be the necessity of using more prisoners of war where the Army has laid down these regulations: No workers without signed contracts; no camps with less than 100 men; locations more than 25 miles apart; 60 percent of the cost of setting up camps to be borne by sponsors; and no contacts for placements handled by Office of Labor representatives.

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## Farm Labor Outlook for 1945

by R. K. Pierson, Asst. State Supervisor, Emergency Farm Labor Program,  
Boise, Idaho

We do appreciate this opportunity to meet with you and give you some idea of our expectations concerning the possible supply of labor for 1945. Naturally the crop production goals provide the principal basis for our planning. To give you an example, last month as soon as the goals were announced we immediately called in representatives from our committees to give us some idea of the transported worker needs for 1945. We have found already the longer time we have for planning, the better we are braced to meet any situation. Sometimes as many as a dozen days planning are needed to meet the needs in a single locality.

Using the 1945 production goals, which for Idaho total 101 percent of 1944, we find that our total labor requirements will equal some 15 million man days, including both production and harvest labor. About 14½ million man days will be required to meet the crops for which goals were set, plus 500,000 for fruit. We probably can expect a total farm labor force of 105,000 workers. The best clue to the 1945 labor supply can be found by looking back over 1944 to see how we did it last year. We estimated 11,000 workers from outside the state would be needed at the time of peak requirements during the month of October. When October arrived we had 10,000 nationals. We were 1,000 short. We made it all right. There was scarcely a contract that wasn't prolonged so that we made it by the grace of God and good weather. It wouldn't have been good planning to have counted only on 10,000 workers because that brought about an undue risk and danger of loss of beets and spuds at the end of the year.

We managed to squeeze it rough, though it was kind of rough treatment. It boiled down to a matter of getting to the highest counties first to put as many workers in there as possible to clean up crops rapidly. Then we moved them down the valley as the weather closed in on us. A lot of growers in the Upper Snake were kept on the edge of seat until crops were cleaned up in the higher counties. But weather certainly had a lot to do with it. On the basis of 1945 production goals we may need about 15 million man days. We can expect to receive again about the same number of foreign workers which we can move from place to place.

Last month we lost some workers and a few more farm boys have been inducted. We can't replace those with imported labor. They were skilled irrigators, tractor operators, and so forth. Today it is easy for a machine operator to get any kind of a defense job, where they can get higher wages than a farmer can pay. About the nearest thing we have are the fellows who are returning from defense jobs where they have been for the last three years. We had a lot of them who left the state. Many more than any records would show. At the present time there are some 1600 Jap evacuees in the state; 70 percent of these are engaged in agriculture. It appears that we might lose 25 percent of these workers before crops are ready in the spring. Maybe not quite so rapidly. They are being replaced by new relocations, principally in agriculture. That is one source of workers we are depending upon for year-around work. Some are skilled in irrigating, and so forth, and some for other jobs that require experience. Principal sources of our hand labor, of course, is in our own locality. Then we have the late fall harvest of potatoes and sugar beets. We know that our school kids will pick 55 percent of our fall crops as they picked about 55

percent both in 1943 and 1944. School kids, in addition to the other local voluntary workers, in 1944 did about 80 percent of the job; in 1943 almost 90 percent.

Our next problem is determining just where these workers are coming from in our own communities. We can look back on 1944 and then consider those changes which have been made in the local situation affecting our potential farm labor force. Our most important change is the induction of farm boys -- these and the fellows departing for defense jobs. To some extent they are being replaced by returning workers. They are being replaced by a type of worker extremely valuable before the war. Also those who lived on a 10- or 15-acre tract and who worked for a neighbor. They are now coming home from defense work to get set up for the post-war period. At least we have found a few coming back that will help.

However, even on the basis of receiving about as many foreign workers as last year, we still can't see our total labor requirements being met on the basis of our foreign and local workers. We have been encouraged to use as many prisoners of war as can be used. Perhaps they will relieve the static work program. We hope to have at least eight new camps, housing from 500 to 1,000 workers. This work program may become fairly stable, at least in a number of counties. They will displace and make available elsewhere some outside workers. The army won't give us exact figures now on how many we may receive. From all indications we can get almost as many as we have housing for. Prisoners of war are more adapted to some kinds of work than others.

It is easy to sit down in Boise and schedule each crop but all that work doesn't take into consideration the inability of workers and various other things a farmer has to meet. When I say here that 1945 production goals require 15 million man days of labor we can't put each type of labor into a hole and have it solved. Our labor requirements come in seasonal peaks. Transported workers have to be contracted for a minimum of 30 days in advance. Often we can't predict 10, 20 or 30 days ahead of time the needs of a particular area or crop. What we have is a work program so distributed over 50 communities that when any one crop becomes extremely active -- fresh crops such as fruit, peas, and so forth -- we can release men from other communities and take up the slack. At one time we will have as many workers on the job as were certified for. When the peak is passed we move these workers out. One association contracted 500 workers for 30 days. One idle day meant a \$600 board bill to pay. For another thing, we know we can't get as complete utilization of local workers unless we can hold back transported workers from the area.

A month ago we thought it was very opportune to get together and make as many plans as we could. Instead of the 30 people we expected we had around 200 so we decided that farm labor was a very popular topic. What we did accomplish was to define in advance our farm labor needs in time to do something about them. With eight months to go, it may look more optimistic than it does now. I am sure by the time the crop season is here we will have enough labor of some kind to take up handwork, but we don't know about experienced workers. But we should have enough workers to meet our production goals. That covers my contribution here this morning.

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Farm Wage Stabilization Program

by T. H. Van Meter, Acting Chairman, Idaho Wage Stabilization Board;  
Supervisor, Payette National Forest, Boise, Idaho

You have heard the outlook for production goals for 1945; about the fine job you did last year; also, the outlook for additional assistance to harvest the farm crops this year. For the most part the picture doesn't look too bad. But wage stabilization has been described as being the fly in the ointment.

The 1945 food program is mostly one of doing. Wage stabilization means there may be some things you can't do. For example: You have a fine crop of potatoes to harvest. It looks like bad weather and your neighbor has a group of employees digging his potatoes. He's paying a certain wage. You don't have any help and you figure that by paying twice the price your neighbor is paying, his workers may come over and pick your potatoes. That may work exceedingly well until you reach the point where you pay more than \$2400. a year to get that done. When you do that you are doing something against the law, unless you paid the same rate this year that you did prior to December 9, 1942.

All right, what is wage stabilization, as such? Its purpose is to equalize wages and to prevent pyramiding labor costs which would throw our food production and price programs out of kilter. This program first began in 1943 in California and Florida. In 1944 there was some feeling that we might need wage stabilization on the Pacific Coast so a wage board was established in Idaho. The purpose is to help prevent inflation. Wage stabilization discourages agricultural workers from going from place to place in search of higher wages on a speculative basis. The stabilization of agricultural labor assists in holding the line on farm commodity prices. It secures maximum use of available labor forces.

There are two principal fields in which wage stabilization works -- in administering the general program and in making wage adjustments in individual cases. The job of the Idaho Farm Wage Stabilization board is to assist farmers to comply with the laws governing wages which are at rates equivalent to \$5000. per year or less. Adjustments which will result in an amount equal to between \$2400. and \$5000. a year will require approval of the board; for instance, if you as an employer wish to increase a wage from \$175. to \$225. per month, board approval would be necessary.

The second function of the wage board deals with specific wage ceilings, where differences exist in the rates for part operations or where there is need for stabilizing a rate structure within an area for handling a crop. There are various processes and methods by which that is done, usually through a hearing held by the board, with the director setting the actual ceiling. Last year we had three ceilings established: One on picking peas in southwest Idaho, one on early potatoes in two areas around Twin Falls and Idaho Falls. and one on two areas on sugar beet harvest operations. The board now doesn't know what we will need in the way of ceilings in 1945. In order to have a ceiling established, over half of the operators in a given locality must be in favor of it. The other day we had a meeting of the state USDA War Board and during the meeting I suggested to your chairman that this meeting might furnish an opportunity to get an expression for the guidance of the wage board as to the possible need for ceilings on various commodities in the localities in Idaho. However, today we

have merely introduced the broad subject of wage stabilization. It is our hope that if there is need for adjustments in wages during the coming summer, advice will be given to the board so adequate provision can be made to take care of the needs so there will be no hinderance on our part in harvesting the crop the farmers are going to put in and finally get out.

Question: Suppose a bunch of farmers in our county would want the wage ceiling. How would they go about getting it set up?

Answer: If there is a need for wage ceilings, the wage stabilization board is notified. A hearing is announced for a given place in the area and farmers and laborers are asked to give their testimony. If the information at that hearing indicates the area needs and wants a ceiling on a specific commodity, a vote is taken of the growers and if more than 50 percent vote favorably, a ceiling is set up.

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Outlook for Machinery and Supplies  
by G. F. Geissler, Director, Western Division, AAA

The farm machinery picture for 1945 has been an on-again-off-again picture. It has been changed about three times since last fall. The amount of farm machinery scheduled for production for this year -- from July 1, 1944 to July 1, 1945 -- is approximately the same as the amount available last year. There have been some changes made in the pattern of production. There have been increases in some types of more modern equipment while decreases in the older types of equipment.

Our problem in the beginning of machinery rationing was getting enough steel. Of late, we have had very little difficulty in getting enough steel and component parts. Our problem now is labor. The situation has become so tight that the last report indicated we are about 25 to 35 percent behind production schedule. We are doing everything to get that corrected but farm machinery does not rate as highly as war materials do. We thought a while ago we could see some daylight and step up capacity a little higher, but we run into military production again.

I can't give you any definite picture here today as to what is produced. Whether it will be out here in season when you want it is another question. Here are the production quotas for a few items you might be interested in: Wheel tractors, 155,000, compared to 188,000 last year and 220,000 in 1940. We thought that number to be adequate for essential needs, and wheel tractor production is keeping on schedule. Corn pickers, 11,000 in 1940, 29,000 in 1944, and 27,000 this year. Hay loaders, about the same kind of picture. Hay balers, 11,000 this year. All in all, if we could get it made into machinery, our pattern setup and schedule for steel and component parts would give us about enough to get by, but not as tight as last year.

The repair end of the 1945 picture will be quite a bit better than last year. More repair parts will be manufactured. We can get along with old machinery if parts are available. On smaller items such as irrigation, dairy and poultry equipment, we have had very little difficulty so far this year. The tools situation should be quite a bit better than last year. Production has been definitely stepped up and at the beginning of the war a great deal of the production of smaller tools was used in construction of army camps, and so forth. A much greater percentage of that production finds its way into farm hands today. Lumber looks good at one time and not so good the next time. Best information indicates that for the next six months or for the next year we can look for a continuing tight situation. A tremendous amount of both food and other materials have to be crated for shipment abroad. The large amount of lumber needed for that very one purpose is amazing. Metal roofing, siding, copper wire, and so forth, are not too much trouble. Barbed wire, chains and smaller electrical motors, are quite easy to get. Large electrical motors will continue to be tight during the coming year. Fertilizer supplies should be available in about the same quantities as last year -- here in Idaho quite a bit better. Insecticides and fungicides supplies will be adequate if used wisely to fill the bill. Rotenone supplies will be short with about the same amount available as in the past year.







Outlook for Transportation in 1945

by John W. Gamble, Office of Defense Transportation, Spokane, Washington

Frankly, the transportation outlook for next year is not very good and has not been for several years. Production of new trucks has been very limited. Last fall we were adopting a policy for a little more liberal allocation of new trucks, hoping for a much larger production for this year, but such was not the case. WPB reduced the allocation. Although we will have a few more during next year than last, there won't be nearly enough to fill urgent demands. Here is a recent press release from Washington, D.C. about 1945 truck production (reproduced in part):

"Less than one-fourth of the motor trucks estimated as needed to meet essential war and civilian transportation requirements during 1945 will be produced and distributed to commercial operators. This estimate is based on the 1945 civilian truck program approved by WPB. Increased demands by the armed forces for all types of motor transport are the chief reason for the severe reduction. The total authorized program amounts to 186,792 light, medium, light heavy and heavy heavy trucks, or 24.1 percent of the ODT stated requirement of 773,935 vehicles. However, the 1945 program compares favorably with the approved 1944 truck production program.

"The 1945 production schedule for medium, light heavy and heavy heavy trucks will be 151,088.

"The largest percentage reduction was made in the number of light trucks authorized. This will affect particularly farmers and dairy producers. Production of medium, light heavy and heavy heavy trucks was ceased in March, 1942 and was not resumed until late in 1943."

Approved Production Program for 1945

	<u>1st Qu.</u>	<u>2nd Qu.</u>	<u>3rd Qu.</u>	<u>4th Qu.</u>	<u>Year 1945</u>
Light	8,878	8,878	8,974	8,974	35,704
Medium	29,927	24,177	27,157	28,598	109,859
Light Heavy	7,093	6,256	8,005	10,110	31,464
Heavy Heavy	2,735	2,343	2,343	2,344	9,765
<u>TOTAL</u>	<u>48,633</u>	<u>41,654</u>	<u>46,479</u>	<u>50,026</u>	<u>186,792</u>

These figures are split about equally in four quarters of this year whereas the majority made last year were manufactured during the third and fourth quarters. When we adopted our liberal allocation program we were progressing just about the same as last year. We didn't know what our share was in the national stockpile. We are receiving lots of applications and a lot of them will have to be denied. Fortunately the farm truck setup is pretty good and so far we have been able to handle the needs without any serious disturbance in production. However, farmers must cooperate with one another and help out their neighbors. We consider it a good thing in many cases for a good cooperative small farmer to secure a truck who can haul for several neighbors who do not have trucks and in that way take care of the needs of four or five farmers at a time.

Large size International trucks, a very popular make, have been completely allocated for the next 60 days. Many farmers have been getting used army trucks, which now are sold exclusively through dealers obtaining letters of certification from AAA committees. In the meantime the truck repair program is going along satisfactorily with 90 percent of the parts requested being located. A lot of the used army trucks have different parts from those ordinary trucks use. We can't be of much assistance in locating such parts because most of them are at manufacturing points or in the hands of army depots. The best way to secure these parts is to place the order with the dealer and have him go direct to the factory to get it.

The tire situation is probably the most critical thing facing the motor truck industry today. Only trucks with class I priority have been able to obtain tires and even those have not been getting any spares and the situation has not been relieved a bit. Loggers are not demanding so many tires as they were. Now in a few instances spares are being allowed where a very difficult time has been encountered in finding tires. Common carriers have to send back east to obtain tires. If you have good tires they are better than a tire you buy. Care for them as long as you can because these wartime tires are not holding up very well. 5,000 to 6,000 miles will ruin a tire.

We have never experienced any particular shortage of gasoline in this area although our supply is about 15,000 tank cars under normal and it is not impossible at the height of farming operations to find ourselves short.

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## Agriculture in Wartime Idaho

by Dean C. W. Hungerford, Acting Director, Extension Service, Moscow, Idaho

I certainly count it a privilege to be able to appear before you this morning. I don't know where we could find a more representative group of farmers from the state than we find in this room. I want to bring you the greetings of Dean Iddings who is taking an enforced vacation. He is rapidly regaining his health and expects to be back among you about the first of April. This morning, I want to talk to you about some problems for agriculture. There are probably many that I won't mention, but I do want to call your attention to a few of them.

After over 40 years of comparative plenty and of developments in agriculture and in agricultural technology almost beyond belief, we find ourselves in the midst of a world war which has upset our general economic structure and increased production of agricultural products nearly one-third over pre-war amounts. These conditions have brought about serious problems for agriculture.

In this land of ours there have been 40 years or more of comparative plenty. Since nothing is more essential than food; it will serve as an excellent illustration. Through all of this period American farmers have produced an average of about five pounds of cereals per person per day. This is several times more than can be eaten. Of course large quantities of grain have been exported, and greater quantities have been fed to livestock to be transformed into meat and meat products. Orchards have yielded over six million tons of fruit per year.

The consumption of both meat and sugar in this country has exceeded an average of over 100 pounds per person per year and relatively similar quantities of other foods have been consumed.

In the interval from 1900 to 1940, a period of 40 years, the population of continental United States increased from 76,000,000 to 132,000,000, or over 70 percent. Yet, in that period the number of farm workers decreased more than 10 percent to about 10,600,000. This greatly increased production by fewer workers was not the result of longer hours of work or more help by women and children. On the contrary, it was due to the introduction of science and technology into agriculture -- to better tillage and fertilization of the soil, to better crops and livestock through plant and animal breeding, to protection against insects, plant diseases and weeds, and to labor-saving machinery. Technology thus has increased the output per man engaged in farming as well as improved the quality of the products. These changes are in the interests of both producer and consumer and can be expected to continue.

Within a little more than a generation, there has been a four-fold average increase in production per hour of human labor, with a resulting unparalleled decrease in drudgery and increase in the comforts and luxuries of life. We have the capacity to provide for remaining wants and make up for the vast wastage of war. Whether there will be unity of purpose and freedom from conflicting ambitions necessary for such an achievement is quite another question. Many times there has been plenty for the few but never before for the many. Now science and its application make it possible for the first time to provide entire populations with plenty -- not with food and homes and physical things alone, but for opportunities for developing the best that is in the human race.

Are there enough wisdom and generous good will to help realize these hopes? That is the supremely important question today.

Many of you had the opportunity to view the exhibits of farm labor-saving and work-simplification equipment shown over the state by the Extension Service. You were as surprised as I was at the many clever devices which have been developed as the result of necessity during the last few years.

It is really regrettable that we wait for a war to speed up technological development and to cause us to work together in a program for agriculture. I hope we may be able to carry over into the post-war period at least some of the unity of effort and collective planning which has resulted from war needs.

There have been many scientific discoveries in wartime research of very great importance to agriculture. Our Agricultural Experiment station and Extension workers are testing these new materials and processes in order to adapt them to our needs if possible. For example, the new product D.D.T. is being used almost exclusively now for the control of vermin and insects by the armed forces; yet we have secured a very limited amount for use in tests for the control of several insect pests of importance to agriculture. Dr. W. E. Shull of the Entomology department and Dr. Glenn Holm, veterinarian, recently conducted a test of this material for killing flies in one of the barns on the University farm. The test was very successful. The flies were killed and the material remained on the walls of the barn for many days, killing all flies that came in contact with it. This is only one of many things which have been developed during the war which will have agricultural uses.

Technological development stimulated by the war will be of very great value to agriculture, but careful research is necessary to apply these new ideas and new machines to agricultural uses. Agricultural research must take its place along with industrial research in helping to shape a new world and use available manpower and other facilities wisely.

No airplane plant would attempt to produce fighter and bombing planes without blueprints of designs prepared after years of research and experimentation. No army officer would use weapons of warfare which had not been thoroughly tested and approved by expert engineers. It is equally important that every farmer and every housewife use the best available advice and employ the best tools to do the job of producing food and preparing it for use.

It is not necessary for me to dwell at length before this group upon the need for conservation practices in agriculture. N. E. Dodd, chief of the Agricultural Adjustment agency, recently gave a very pertinent warning. He said, "Farmers carried out a record volume of needed conservation practices in 1944. Despite these efforts, the expansion and intensification of production required to fill war needs is sure to leave our soil worse off than when the war began if we do not take steps to restore its lost productivity." I might add that our war effort also has intensified the problems of weed, insect, and plant disease control. Careful planning and application of the most approved scientific methods are needed to overcome these difficulties. The programs of conservation of land, water, and forests must be intensified. We must improve, protect, utilize, and maintain the nation's natural resources. The war has made us realize the importance of the nation's resources. We must protect them in a manner more adequate than in the past.



Idaho has increased production of a number of crops over 25 percent during the last three years. Farmers throughout the nation have used every means available to meet all military and allied demands and still have a sufficient supply of food for domestic consumption. To shift from high to intermediate and then perhaps in some cases to low gear without considerable damage to our economic mechanism will require careful planning. Expanded food production will tend to persist. Readjustments will be needed. Public funds should be used primarily to bring needed adjustments about more easily and rapidly and to cushion the shocks involved. The public interest will not be served by maintaining resources in use when these are not needed.

It has been said that agriculture is responsible for providing the people with food and fiber at reasonable prices and for maintaining the productivity of our basic land resources. While doing this, farmers should strive to obtain (1) an income to provide a standard of living comparable to other large productive groups, (2) freedom of opportunity, and (3) the degree of security which will insure stability of family and community life.

The welfare of agriculture is affected not only by what farmers do on their own land, but by policies followed by farm groups and non-farm groups. The general welfare cannot be served by selfish promotion of separate interests. Industry, labor, and agriculture -- all aided at times by the government -- have sought to improve their own positions by restricting production. Restricting of economic opportunity by powerful groups should be checked by the government, and public policies to permit maximum initiative and resourcefulness should be put into effect.

High industrial employment and free choice of occupation are important to agriculture because farm people produce a surplus of population which need non-farm employment in order to make the most of their abilities. Farm-to-city movement is due to comparatively large rural birth rate, to increased efficiency in farming, and to technological developments which have moved to the cities many processes and services formerly performed on the farm. We need only enough persons in commercial farming to produce an abundance of food by efficient methods. The larger the proportion of our population engaged in providing non-agricultural goods and services, the higher our standard of living may become.

After a sufficient number of efficient young people are engaged in agriculture, the balance should be trained for city occupations and not be forced to do low-paid unskilled labor. This is an obligation of both the city and the country to see that such improved educational advantages are available.

Every citizen of the United States is vitally concerned and has a personal responsibility in assisting returning service men and women to re-establish themselves in civilian life. Farmers and those of us who work for agriculture share the responsibility of supplying wise counsel and helpful assistance to those who return already experienced in farming as well as to those who desire to learn the farming business. When opportunities exist they should be helped to take advantage of them. The many difficulties should be brought to their attention before it is too late.

In every county advisory committees are being formed. Local people can give very valuable assistance as they know local conditions. Veterans'

Agricultural Advisory committees have been organized in 2,162 of the nation's 3,070 rural counties, with organization work under way in most of the other counties. The number of farmers serving on these committees ranges from three to seven. In some counties agricultural agencies and businessmen are serving on the committees. In many instances the veterans advisory group is a subcommittee of the county agricultural planning committee. Veterans who have not had farming experience are being urged to get such experience before investing money in farm lands.

The College of Agriculture at the University of Idaho has developed a number of short courses for returning servicemen. These include courses in farm crops, dairying, farm machinery, livestock farming, poultry, and vegetable and fruit farming. Indications show there will be considerable interest in these short courses.

I wish also to call to your attention a bulletin now in press dealing with the subject of Farming Opportunities in Idaho. This publication will describe the various farming areas of the state, discuss the agriculture of these areas and evaluate the opportunities for further developments. It will be of great value to anyone wishing to start farming in Idaho.

I do not believe there is a time when agriculture needs more careful planning and more careful thought than to meet the problems after the war. I am happy to have been here today to take part in your meeting.

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## Outlook of Farm Financing

by Werner E. Meyer, President, Federal Intermediate Credit Bank,  
Spokane, Washington

I am happy to see this fine group of people here today. I talked with your state chairman, Mr. Vaught, about the logical place to hold a meeting in Idaho for an organization of this nature -- an organization that I think is doing wonders for the agriculture of the state -- an organization that takes the principles and scientific methods which have just been put before you here by the Dean of your agricultural college, and which have been put in effect for the past 40 or 50 years to bring about maximum production in this state. Everywhere you go today you talk to businessmen who talk about post-war plans, who talk about research, experiments, new ideas, and want new methods to bring into their business processes to produce a better product which will encourage more consumption of that product.

Agriculture has been in a process of experimentation for years, and that is why we have maximum production of products over the United States today -- and particularly in Idaho. I like to look at this organization as being largely cooperative in character, largely carrying out to the community the various types of scientific method and welding it into a community, county and state-wide proposition for better agricultural production. That is why, in talking to your chairman, I said, "Why don't you go up to Lewiston, Idaho for this meeting? People in that area are cooperative-minded. I think your committeemen and your organization could profit well by meeting with and getting ideas from some of the Northern Idaho farmers."

I think this community is to be commended on the progress they have made in the cooperative marketing of their products. You not only need to produce agricultural products, but you need to market them well for the individual that produces them. I speak of the Lewiston Grain Growers who market over four million bushels of wheat annually; the Cooperative Grain Growers at Craigmont, Grangeville and Moscow, who handle the marketing for their particular areas; the two cooperative pea growers organizations that are handling approximately 50 percent of the pea production of this area, and your Grange organization and your Grange Supply organization here. With cooperative marketing of these products, also comes a matter of financing production, and you have in this area a very fine Production Credit Association that loaned more than 1½ million dollars last year.

These marketing organizations and these financing institutions all tie in with the Triple-A program. They all tie in with the activities of the Idaho State USDA War Board. They make it possible, plus the very important effort on your part, for the fact that Idaho has contributed so substantially to the war effort. In 1932 you folks produced \$41 million in agricultural products and by 1941, prior to the war, you had increased that to \$133 million; but by 1944 you had increased that agricultural production to \$275 million, practically seven times what it was in 1932, and more than twice what it was in 1941.

You are going out this year, as a result of this meeting, to equal that 1944 effort and perhaps do better. Of course, being connected with the Farm Credit Administration at Spokane, I have to look at the district as a whole --

Oregon, Washington, Idaho and Montana -- and production for that area has doubled since 1941 for those four Northwest states. In Idaho in 1944 you produced \$275 million worth of agricultural products, whereas Idaho, Oregon, Washington and Montana in 1932 produced only \$229 million worth of agricultural products. This state in the last year produced more than was produced in the entire four Northwest states in 1932. Farmers today are in the best financial condition they have ever known. There have been five years of maximum production with almost unlimited markets at good prices. The average annual income for the farm worker has doubled since 1941, and is now in the neighborhood of \$1500. per person. Total equities in agriculture have increased almost \$30 billion since 1940. On January 1, 1944, farmers had assets in cash, bank deposits, and government bonds of \$12 billion, about four and a half billion more than on January 1, 1940. This increase in cash alone amounts to more than the farm mortgage debt.

Through scientific methods and cooperative efforts our yields per acre have been materially increased. Every year since 1939 the average yield of 28 major crops has been 20 percent or more over the 1923-32 period. So at the present time we are going into this year with about a 30 percent increase in our agricultural production for 1944. In other words, our national income from agricultural production in 1944 was \$23 billion compared with \$11 billion in 1941 and \$5 billion in 1932.

You are asked this year to increase this production again, and no doubt you are going to receive good prices for that production. But you are asking yourselves, "What is all this going to do with my own personal affairs? What is going to happen when the war is over? Should I buy more land, or sell my farm? Should I get into the cattle or sheep business now? Should I produce some potatoes this year, or should I switch to legumes and get away from cash crops?" Those are the things you, as individuals, are asking yourselves. I am going to try to discuss these questions with you this morning. We are going at this thing in a much more scientific way and a much better coordinated way than during the last war, and perhaps the repercussions after the war is over will not be as serious as after the last war.

In the first place, the Federal Reserve System was created in 1912, a new national financial structure to bolster the banking system over the United States. In the second place, the Federal Land Bank system, another national financial organization, was created in 1916. There in those two institutions were, relatively speaking, two "new" organizations with tremendous powers of credit just starting out, you might say, prior to World War I. The demand then, as it is now, was for more food production but it largely centered around producing, say, more wheat. You are pretty familiar with the demands that were made upon you to produce more wheat in this area. War food demands encouraged the breaking up of raw lands and putting them into cash crops, particularly wheat. In 1910 Montana produced 9 million bushels of wheat; by 1915 after war had been declared with Germany this production was up to 60½ million bushels of wheat. After these lands were broken up, instead of 50 banks in Montana as in 1910, there were 431 in 1920. Idaho had 23 banks in 1900, 200 in 1910, and 222 in 1920, so the situation was not quite so bad. During the present war farmers are not getting in debt as I will prove to you a little later, but in 1910 the farm mortgage debt in the United States was \$3 billion. By the end of the war in 1923 the farm mortgage debt in the United States was \$11 billion, twice what it is today -- an \$8 billion increase in a 13-year period as a result of World War I. In 1915 there were \$16 billion of collateral and personal loans over the



United States, and by 1923 there were \$3,800 million of that paper over the United States. In 1920, Idaho had \$44 billion of that type of paper in its banks, and by 1937, after liquidation processes prevailed, there was \$10 million worth of that paper.

Now, farmers paid that bill, and how did they pay it? Wool in 1917 brought 65 cents a pound, and in 1932 10 cents a pound. Breeding ewes sold for \$20. a head in 1917, and in 1932 for \$3. to \$4. per head. Today wool is under governmental control and; while some of the sheepmen complain pretty severely, it is not taking that abnormal rise that it did during the last war. Wheat in June, 1920 sold as high as \$2.44, and you people in this area later received as low as 23 cents. Dry beans in southern Idaho sold for \$14.67 in 1917, and \$1.05 in 1932; potatoes for \$4.25 in June, 1920 and for 17 cents in 1932. What happened when these prices failed -- what happened to the fellow who bought a farm? He paid for it with reduced prices. Banks closed right and left -- 5,000 suspended operations over the United States between the period 1921 to 1933 -- 20 percent of those operating in this district in 1929 suspended operations, and you people who borrow money to produce crops know that, when the depositors call for their funds, you are one of the first asked to pay your bills. In 1910 nearly two-thirds of all farmers were land owners -- by 1932 more than one-half were tenants. The farmer who bought land in the period 1917 to 1920 and went into debt for it, paid for it with agricultural prices about one-fifth of what they were in World War I.

In 1921 the situation became so serious that we begged the United States government to come in and extend some type of financing to re-establish confidence in agriculture. You had the establishment of the War Finance Corporation, and, during the period 1921 to 1929 when there was a business boom, agriculture never really got out of the dumps, and you had the Federal Intermediate Credit Bank. You had the Federal Farm Board in 1929, you had the relief loans, and in 1932 the Reconstruction Finance Corporation, and the Farm Credit Administration and the Farm Security Administration, and so forth. Those were all underlying things, perhaps, related to World War I.

I can't feel that that same type of situation is going to prevail after World War II because groups such as these are studying our agricultural problems much more thoroughly than they did then. Farmers are not going into debt today to buy land on speculative prices. The facts are that the mortgage debt over the United States at the end of 1944 is approximately \$5 billion -- one-half of what it was in 1923. Bearing this out further, the Federal Land Bank had loans in 1935 of \$40 million in the State of Idaho, which has decreased by 1944 to \$20 million -- more than half. The same thing applies for the 12th Federal Land Bank district -- Oregon, Idaho, Washington and Montana -- \$155 million in 1935 and a reduction to \$77 million in 1944. You are using the money from these good returns to get yourselves in a little better position.

Right here in this area, you have been asked to increase your pea production for several years. This year you are asked to cut that production. It is done in the interests of our national welfare. I understand that there will be a less price paid for those peas. You, as individuals, should look thoroughly into the manner in which that is being handled, because that may be what is necessary to some extent when the war is over. In Southern Idaho after World War I, alfalfa hay in 1918 and 1919 was selling for \$19. and \$20. a ton, and a couple of years later it sold for \$2. a ton, and a poor market at that.

It may be in the future that organizations of this character may have to approach some of these problems in a manner in which that problem was approached rather successfully in 1921. It is only natural that, when prices go up to some extent and the demand goes up, ultimately they must come down. On the other hand, at the present time the financial concerns of this nation are in exceptionally fine condition. Over the nation you have an agricultural financial organization geared to suit the farmers' needs, controlled cooperatively by farmers, farmer boards of directors that understand the farmers' problems. All of these organizations are in splendid position at the present time, but, more important than all, over the United States today instead of as in 1921, when you deposit money in the bank your deposits are guaranteed up to \$5,000. You, as individual depositors, I don't believe will cause runs on banks in the manner which occurred in 1920 and 1921. That in itself has a stabilizing influence. There has been a definite control of credit during this war period, and there also has been a definite control of interest rates. Interest hasn't gone up materially as the war has progressed. Inflationary tendencies have been curbed. Nationally we have been accustomed to a price support program. You people are thinking about the Steagall Amendment in your production of agricultural products today. Farmers are getting out of debt instead of into debt. Immediately following the war, there should be a tremendous expansion of necessities, such as automobiles, radios, and so forth. A tremendous housing shortage exists over the United States. This of itself will create industrial activity, and, in turn, keep labor employed, and perhaps help to sustain agricultural prices for a period following World War I.

Here in Washington and parts of Oregon, you have developed in the last 10 years a tremendous source of cheap power; also you have water transportation on the West Coast, and there are lots of ships going to be available after this war. During the war, you have seen how this electrical power has been instrumental in the development of armaments, ships, planes, bullets, aluminum, and every type of thing needed to win the war. It is only natural when the war is over that that industrial expansion caused by the war may turn to the development of domestic products, and instead of our agricultural products being required to move east to the metropolitan centers, I think we are going to see a rather tremendous metropolitan population in this area. That, in turn, will affect you as individuals.

While we have this increased agricultural production, we have to remember there is a lot of water going through the Columbia River and there is a lot of land in the Columbia Basin, and a lot of soldiers coming home from the war. A lot of them will want a farm -- maybe will like irrigated farming and want an irrigated farm. There may be a tremendous expansion of irrigated farming in this area, which, in turn, brings industrial activity and a demand for agricultural products. So I can't believe that the outlook in the future is too serious.

I want to leave you with three things: If I were a farmer today, I would be pretty careful about expanding my real estate holdings on borrowed money; if you have the cash, all well and good, but don't contribute to inflating land values by buying land on borrowed money. If you are just producing farm products, it is much better that your land be worth \$10. an acre than \$200. an acre from the production standpoint. As far as your short-term needs are concerned, it does seem to me that it is pretty good business to follow the plan you have the last several years, and not borrow too extensively to produce these products. I returned from the last war as a veteran, and business sure was



booming in Southern Idaho. Remember that, when these boys come home, there is an industrial expansion in the United States today, and it costs more to do business and it costs more to farm. Do not be in too much of a hurry to encourage him to buy land or go into business right away. This G.I. Bill of Rights is a mighty fine thing. It allows an opportunity for more training and more education -- in a year or so a veteran probably would be a farmer with more scientific methods and better arrangements in his methods of operation when he does begin to farm.

It may be that it will take a little while to work out the future of agriculture -- prices are bound to come down somewhat. I do hope that this group at this meeting here this week and in your daily effort will do everything under the sun to continue the fine production record you have made during this war-time period. I appreciate the opportunity to be with you this morning and thank you for your kind attention.

7/7/47



### Triple-A's Role in Business

by John W. Sheppard, Manager, Lewiston Grain Growers, Lewiston, Idaho

I am not going to infringe on your fine program this afternoon, but I would like to make a few remarks primarily for the benefit of Mr. Geissler who would like to know what the man on Main Street thinks of the AAA program.

I have had the pleasure and privilege of talking with many of our business men in and out of Lewiston and I can say without reservation, ladies and gentlemen, that they marvel at the cooperation and the effectiveness of your organization. A few years ago they said in large numbers "It couldn't be done." But anyone who looks at your program -- I'm not trying to sell you the program or convert you -- soon can realize the democratic way in which it is operated. You have your elections each year and elect Democrats, Republicans, Socialists or what have you. It is a fine organization, well-manned from the top to the bottom. We should feel very fortunate and be very happy to have friends in Washington such as Ed Dodd, Gus Geissler, and others. I should like to say just what this means to the man on Main Street.

Back in 1932 when other men and I were buying wheat for 20 cents, it meant failure to farmers and those who depend on farmers for customers. I say to you folks today that the men on Main Street -- whether in Lewiston, Spokane, Portland, or Boise -- are very much interested in the continuation of the Triple-A program. They don't want to see the farmer subjected to a ruinous price for his grain.

I personally feel that the national program as you have it today is a guarantee against ruinous prices. Let us take your commodity loan program, for example. You may not appreciate that loan today, but get this wheat market down to 20 or 30 cents a bushel and you will begin to realize it. I am not a member of any of your committees. I am speaking as a farmer-businessman and head of a warehouse organization. I never enjoyed buying grain as much as I have since the Triple-A has come into the program, and I will tell you why: You don't rush to market in two months and sell all your grain. You have established an orderly marketing program. When you sell your grain, you have already gained your loans and paid your bills. That was one of the original intentions of the farm program -- to set up an orderly marketing program and operate it over 12 months of the year instead of two.

I have had occasion to have a great deal of business relations with your local ACA committees throughout North Idaho and Eastern Washington. I can tell you without reservation, Mr. Geissler and Mr. Vaught, that you have men on your Triple-A program that are fine to work with, and it has been an extreme pleasure to work with them. When I say that I'm not just talking. We deal in millions of bushels of grain and peas, and I would like to have Mr. Geissler get the honest and fair impression that we are very happy to deal with the Triple-A boys. Rather than complain that they are running us out of business, I would like to say I would hate to go back into the old system. You are to be complimented on the efficiency you have set up in your organization and I think that businessmen everywhere should be very happy to work with your splendid organization. Keep



it operating, and for God's sake, don't let it get back to the ruinous prices that we had in 1931 and '32. If you keep your program and protect it, you will maintain a reasonable price that will give farmers a fair share of the nation's income. I am happy to be called upon and I want you to know that the business men feel just as much interested in this as you are because business succeeds or fails upon the welfare of agriculture.

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~~7-7-77~~

## Relationship of Cooperatives to AAA

by Dr. A. C. Adams, President, Bank of Cooperatives, Spokane, Washington

When the Agricultural Adjustment Act was passed in 1933, it was received with varying degrees of enthusiasm by the country generally. By some it was regarded as the final and complete answer to the problems of unmanageable surpluses, glutted markets, and ruinous farm prices. By others it was looked upon as a temporary bit of farm relief that was probably necessary to head off the general bankruptcy that threatened their farmer customers. Comparatively few people took time to evaluate the significant potentialities of the program beyond its probable immediate effect upon farm prices, and no one could foresee the tremendously important role AAA committeemen and administrators would be called upon to play in the toughest war this Nation has ever fought.

In the 25 years preceding the passage of the Agricultural Adjustment Act, the thinking of agricultural leaders had reached two widely divergent extremes with respect to the problems of farm prices and farm income. On one hand was the belief that by collecting large blocks of any given farm commodity under a centralized control of price and crop movement, satisfactory returns could be demanded from consumers without regard to the conditions of supply. These were the wheat pools, and the huge cotton and tobacco associations which flourished in the early 20's and sought to stabilize commodity prices by a process of orderly marketing.

The other extreme was the idea that no voluntary action on the part of farmers could bring about satisfactory farm prices, and only complete control of production and distribution applied by the force of government offered any permanent solution. It was inevitable that further development of any agricultural program should proceed on some middle course, with sufficient flexibility of design to permit whatever level of operation in the range of positions between these two extremes that might be found most effective.

The Agricultural Adjustment Act of 1933 provided that middle course. It was based on the voluntary cooperation of farmers with their government in a joint effort to correct a situation which had created a great national emergency. Under its provisions orderly distribution through marketing agreements was made possible when agreed upon by a majority of growers of a given commodity or of a given area. Production goals based on the over-all requirements for any given food product were provided for to be set by farmers themselves when circumstances warranted. Orderly cooperative production had been developed to support orderly cooperative marketing.

Many people in the country are prone to interpret the Agricultural Adjustment program as one intended to reduce total agricultural output. Its real purpose is to enable farmers to shift from one agricultural line into another. A manufacturer who finds that his product is not selling as rapidly as it is being manufactured and is therefore accumulating in surplus inventory, is pretty certain to slow down his production until sales pick up again or until he can find a way of making them pick up. If his factory expenses cannot be brought within the income of his reduced production, he is pretty likely to take on new lines of manufacture.

In much the same way farmers slow down their production when it is over expanded and find new lines of production with the aid given them in the provisions of the AAA. Better care of the soil follows in such a program of balanced production, and soil fertility is restored through land conservation practices. The welfare of our country is tied closely to the productivity of our land and it is sound business for the Nation to assist farmers to conserve the soil to assure ample supplies of food, fiber and other raw materials for our people.

A significant feature of the AAA is its provisions for decentralized administration through county associations of farmers. Elected by their neighbors, they comprise the local organization through which the ideals embodied in our national policies for agricultural adjustment are translated into practical operations. Through them the practical experience of farmers and the authority of the Federal Government are brought together to the benefit of the Nation and agriculture.

Through the unity of their organization and effort, farm production has been expanded far beyond the limits of peacetime imagination to meet war needs. In more than 3,000 counties, nearly 114,000 county and community committeemen last year carried on the many assignments that fell to them as a result of war conditions. Without them it would have been virtually impossible for six million farm operators to have made the independent decisions necessary to balance our farm output against the wartime food requirements of our Nation and our Allies.

Coincident with the passage of the Agricultural Adjustment Act in 1933, other legislation was enacted by Congress that held equal significance to agriculture and to AAA farmers in particular. The Agricultural Marketing Act of 1929 was brought up to date and welded more effectively into the body of national agricultural legislation then already upon the books. In the farm Credit Act of 1933 there were brought together the facilities out of which farmers could fashion for themselves a sound program of farm operation and farm management through the effective use of credit adaptable to the special circumstances of their farming industry.

To the system of Land Banks and Intermediate Credit Banks that had pioneered the field of farm credit as a national policy, there were added the Production Credit Corporations with their underlying community associations, and the Banks for Cooperatives. With such credit tools at hand it became possible for every farmer to develop a sound farm operation based on the solid cornerstone of cooperation with his neighbor farmers.

Such a program of balanced farm credit was essential in order that the individual farmer might gear the operations of his farm to the program of the AAA and as well to retain permanently the benefits derived from the program of the AAA and its various related activities.

Cooperative marketing associations made up of farmers engaged in taking their own products to market and sharing mutually in the cost and in the returns represent perhaps the first farm group to be most immediately affected by any AAA program of production adjustment. They are the first important group likely to react to any farm program and their contacts with their farmer members make their influence significant.

Facilities for the physical handling, transportation and distribution of farm products to the consuming centers of the country are essential tools in the



workability of any program designed to maintain a satisfactory balance between consumption and production. No matter how productive the farm lands of a given community may be, the products are not usable unless there are adequate facilities for handling them -- storehouses, transportation equipment, delivery stations and the personnel to operate them.

In many lines of agricultural enterprise farmers have found it necessary to own and operate these intermediary facilities of commodity distribution themselves. Some of them engage in the local and primary processes of distribution such as receiving the commodity and performing the simple operations necessary to prepare the product for market. Others own truck lines by which their products are carried to distant markets, while still others own storehouses in the market centers, and still others even own the distributive facility in the market place. Some likewise own and operate extensive processing facilities by which the form of the product is changed completely in the marketing process.

All of these involve a money investment of the farmers who produce the commodity handled, and in a cooperative the investment is proportionate to the volume that comes from each farm. There is also the cost of operating these facilities and, as in any other business venture, the cost of operation per unit of commodity handled is affected by the number of units or volume passed through the facilities.

A farmer who has his money invested in cooperative facilities and whose crops are bound to pay the operating costs of such an enterprise whether they be low or high is quite apt to feel that any program of adjustment which reduces the volume of commodity that may be expected to pass through the facilities he is paying for, may not be to his best interests.

Especially will he feel put out if because of a marketing agreement which fixes a quota that may be shipped to a given market, his association loses a valuable and steady customer. Efficient market outlets are built on the solid merchandising principle of serving the customer when the customer is ready and adjustment programs which compel a deviation from that principle result in customer resentment.

Balanced production is not achieved until all consumers in all markets are completely satisfied. It would seem to follow therefore that farmers cooperating with each other to keep farm production on a profitable scale might well consider the effective use of cooperative distribution facilities in their program. Our experience in wartime production illustrates the potentialities for accomplishment when both groups work together.

To handle the huge crops grown in response to wartime needs many farmers in this area have greatly increased their cooperative investment in facilities needed to process their commodities for use. Old plants have been added to or remodeled and new ones have been built, all with farmer money. In no other way would the commodities produced in such vast quantities have been made usable, and it is significant that the wastage in communities where farmers did not lead out in such manner has been far greater than where well-operated cooperatives existed.

Virtually all farmer cooperatives have taken advantage of the wartime circumstances of trading, and out of the bigger volume and firmer prices they have strengthened their financial resources and laid aside material reserves for the

future. Most of them have well-drawn plans for keeping market channels open for the benefit of their members, and developing new ones as well. Many are venturing into the field of new uses for their member commodities. Farmer cooperatives have translated the aspirations of wartime programs of AAA and related agencies into practical operations by conserving the increasing production of farm crops. Out of the returns received they have retained the financial substance for a permanent program of production and distribution for their members.

The post-war problems of agriculture are most likely to present themselves not alone in terms of production, consumption, disposal of surpluses and the like, but rather in terms reflecting the level of prices for farm products in relation to factory wage rates.

Food expenditures vary with income and the demand for farm products is affected by the level of industrial production. Prices and demand move together. It may well be therefore that our primary post-war task in agriculture will be to find a more coordinated and effective use of our marketing and distributive machinery, keeping prices within reach of our wage-earning customers and shortening the margin between consumer and producer by increasing the volume that passes through our distributive facilities.

Cooperative marketing systems provide the most effective means whereby farmers may utilize the savings in their distributive operations to increase their net farm income. The distinguishing feature of a cooperative enterprise is that the savings of the operation must come back to the farmer who produced the commodity in proportion to the quantity he provided. Farmers cooperating with each other in balancing their production with market requirements should finish the job by cooperating with each other in delivering their goods to the customer when he wants them, where he wants them, in the form he wants them, at a price he can afford to pay.

The uncertainties that lie ahead for agriculture look less formidable when farmers reflect upon their invaluable experiences in running farm programs in the past. Through joint cooperative acting they have developed the flexibility to respond to the changes that are bound to come after this war. The tools are at hand in the AAA and related programs and in their cooperative farm business organizations. The main balance sheet looks good for agriculture. Whether that balance stays good is for farmers to answer as individuals and as a major group in the Nation's economy.

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The Need for Agricultural Conservation  
by Quince Rice, Member, State Committee

I want to begin this morning by saying that I believe the principles of Triple-A are the same fundamental teachings we all learned as children to be the guiding principles of successful living. I know they were taught to me at my mother's knee, and I've never forgotten them.

First, in Triple-A we believe that no farmer has the right to dissipate the soil resources of his farm. Second, we believe he should keep his storehouse full at all times for the bad times that may be ahead. And third, we believe he is entitled to his full share of the consumer's dollar. What are these principles except a broader expression of the old-fashioned teachings of "want not -- waste not".

When I went into the program, the thing I wanted to know was: What is the basis of the need for this program? I couldn't find anybody that had written any books on the history of agriculture that would help me. One of the things that I determined in the beginning was that I couldn't find the history of our soil without tracing the history of the pioneers of this country. We don't read history backwards -- you have to start at the other end and come this way -- that was what was so difficult. After I had got this material together, I found three things that showed up: The depletion of the soil, the history of the pioneers, and the religion of the pioneers. These three things formed a sort of a pattern and, if I removed any one, the picture wasn't complete.

I want to show you a map that I have on the soil -- depletion of our nation. A study of it reveals that we need our AAA conservation program not only today, but we have needed it for the past hundred years. The American people like to do things in a big way. We have lived up to our reputation and have done a magnificent job in depleting our soil. Only 10 or 15 percent of the area of the whole United States is untouched by depletion. Some of our soil is beyond recovery. In nearly the entire State of North Dakota, the soil has been eroded to a more or less degree -- on an average, the top soil is about 10 percent gone.

The next question presented to my mind was, "Why have we allowed this condition to exist? Why hasn't something been done about it before?" I then went back and started to read, and I ran onto a book entitled "Einstein's Theory of Relativity". I got the thought out of that book that we understand nothing unless we can compare it with something of a relative value. In order to understand our pioneers -- the Pilgrims in 1620 and so on down -- I knew that I would have to go back to the countries where these people came from. About 30 years ago I spent nearly four years over in the countries of France, Holland, Norway and the British Isles. I didn't remember all the things I saw there, but I did know how I could refresh my memory: I went to my cedar chest and got out my diary and all the pictures I had taken when I was in those countries.

There were three or four things that showed up in those pictures. I was in the World's Fair in Brussels in 1910. There were a group of people standing around a barker, who had a sign back of him saying: "International Harvester Company". I elbowed my way around in front to see what he was talking about.



In front of him set a piece of machinery with a sign: "combine harvester and reaper". I sat and listened to him talk in first one language and then another until he spoke in one I could understand. He said, "This machine came from the land of the American Indian and the cowboy". That machine had the same effect on the crowd as we got when we went to the circus for the first time and saw a giraffe -- we couldn't believe it! Those people cut their grain with a sickle and a scythe, threshing it out by beating it over a rain barrel or by tramping it out on the barn floor with their wooden shoes. About the first of January the Saturday Evening Post described that same condition existing in 1939 as it did in 1910. People live under circumstances there that don't allow them to realize what our conditions are.

That lack of knowledge, beyond their own communities and their own ways of doing things would have caused our pioneers to think that our natural resources had no limit once they saw the wealth of a new continent. Our pioneers who settled this country didn't and couldn't understand that we could deplete our natural resources. We first landed here in 1492, but it wasn't until 1700 that migration had progressed any further west than 150 miles at the most. In 1803 Thomas Jefferson was President and he made the Louisiana Purchase for less than three cents an acre, and people then thought no one would be able to live long enough to use it. In 1804 the same President commissioned Lewis and Clark to make the Lewis-Clark Expedition, and they finally landed right here where we are now at Lewiston. It was undertaken because England and Russia had their eyes on the northwestern part of the present United States. In 1836 Texas declared her independence from Mexico and became a separate nation.

All of the people who came to the United States in the very early days were not religious people; there were also many criminals and others. In those days the big companies were destroying our natural resources on a large scale. In 1846 we began "leap frog" farming; our forefathers would farm a place for a small time, and, when it became depleted, we would leave it and go on to another. There were good reasons for this: Weeds don't grow on virgin soil for three or four years, and it requires much less water to mature a crop on virgin soil. That is the reason there was no regard for soil conservation.

In 1847 when war was declared against Mexico, we took territory which now makes up the states of New Mexico, California, Nevada and Utah. In that year the first irrigation project was introduced in the United States, by Brigham Young in Salt Lake City. In 1847 word got out that there was gold in California, and people began drifting into this country.

By then, we had reached the limit of our migration west, and the only thing that we could do was to back up. All the time soil-depletion had been going on, but nothing was done to halt it. In 1862 our government organized a Bureau of Agriculture, but still nothing was done. It wasn't until 25 years later in 1887 that they figured it was sufficiently important to have the Department of Agriculture under the executive branch of the government and put the Secretary of Agriculture in the cabinet.

The first time anything was done on any kind of a scale to stop the depletion of our natural resources was in 1901 when Theodore Roosevelt was president. In 1914-1918 to produce food for World War I we further depleted our resources with little regard for the consequence. The dust bowl conditions of the Midwest when we struck the dry years of the '30's were the direct result.

In 1924 people began to talk about a soil conservation program. Some estimates placed the area where soil depletion was going on at 50 million acres a year, but still nothing was done about it.

In 1926, 1927, 1928 and 1929, everybody was getting rich but you farmers, and you just thought you were. All you were doing was borrowing yourselves right down into the poorhouse. In 1929 we heard rumors about what was happening in the east, but in the west we went along in our own way; in 1930 it was a little worse; in 1932 it was upon us. By 1933, figuratively speaking, we were all prostrate on the ground. After that first numbness wore off, we began to realize that our whole economic structure had collapsed. Those were bad times and dangerous times, when anything could have happened.

It is not for me to say that all of the things that were tried in 1933 were economically sound -- I don't know. But, grant for the sake of argument that there were a lot that weren't sound -- one mistake we didn't make was the mistake of doing nothing. The present Agricultural Conservation program came into effect in 1938. Now we must keep improving it all of the time -- we must keep it adjusted to meet changing conditions.

Now let us get down to 1945: I want to say to you county committeemen -- you have taken the job and we assume you are in earnest and that you mean what you are doing. With your knowledge of this program, you have a responsibility and an obligation. I hope all of you will go back to your counties and take the assignments that are given you and make the most of your opportunities to serve your fellow-farmers. I hope sincerely that the time will never come again when farmers will be asked to be the stewards of a poorhouse for the misfits from industry, because that's all we have ever been. And I will say to you people that if you don't do something about the problems agriculture is facing, perhaps 75 years from now some other farmer with an inquiring mind will want to know why. I once came to the conclusion that nothing was done in the past because too many of our leaders were asleep. But you can't say, "We didn't have the foresight -- we didn't know," because you have every facility, all the equipment, you should have the know-how, and you should have the incentive to do a splendid job. I wish I could say I wish you happiness in your work, but I can't say that while your sons and my sons are dying by the hour that we might enjoy this land. Even with labor shortages and all the problems confronting us, I don't believe you are going to let those boys down. I thank you.

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The 1945 Agricultural Conservation Program  
by Drexel D. Watson, Member, State Committee

This morning we want to get into actual discussion of what our county committees want regarding AAA conservation practices. We run into quite a lot of trouble last year in administering these practices and perhaps we can forestall going through that again this year.

About 18 months ago the state committee was called to a regional conference of state committeemen in Denver, and I was unfortunate enough to be appointed chairman of the Conservation Practice committee which was supposed to make recommendations. One of the recommendations we made was to abolish individual farm allowances. We didn't know what we were getting into. As you folks know, in 1944 there was no limit to the conservation work which one farmer could do on a farm other than the \$10,000 Congressional limitation. There was no limit to the amount of any individual practices that could be performed on a farm. We didn't realize just what effect that was going to have until we got the first estimates from the counties on the amount of money we would spend this year on conservation practices. The first figure and the balance of the other two estimates show close to a 30-percent increase over the amount of money used in 1943. We are using all the money that we have allotted to the state on conservation -- the first time that has ever happened.

We began to wonder just what this was doing on the farm; we wondered if some of the practices that we have in our handbook for a fair rate of payment were being overworked -- if they were being carried out just for the payment. We are changing the limitations, the requirements, and the specifications of some of these practices. Some changes have been made in the weed control practice. For example, and we want to discuss these changes with you this morning and hear your comments on them. Also, we would like to know if you consider it advisable to put a limitation on the funds that could be spent within a county.

Let us discuss weed control practices first. It appears that in Idaho this year more money will be spent on this practice than any other. In the past years that we have had weed control we have taken a trimming in a lot of cases. Heretofore, Triple-A has financed the entire cost of the control and eradication of weeds in a lot of counties. In our opinion other agencies have a responsibility for the control and eradication of weeds as well as AAA. We propose to write our specifications this year in such a way that we are going to get that help from other agencies in the counties and the state or we may not have enough money for weed control in such counties. Noxious weeds are becoming one of the most serious things in Idaho regarding our farms.

Several times in the past several years the statement has been made that Triple-A has wasted the money it has spent on weed control because we haven't gotten our money's worth from the \$5., \$7.50 or \$10. an acre that we have been paying. I don't agree with that. I think we have gotten 100-percent return from every cent we have spent on weed control. When the program was first started and payments were first made, we had very little participation as no one was concerned to any great extent. But we did have a few farmers who did control or eradicate their weeds until their neighbors became conscious of it and tried it the next year. We now have reached the point where we will have to limit the money we are spending on weed control.

Our thinking in the way of limitation is something like this: The maximum allowance to be permitted for control of weeds on a farm will be \$1. an acre times the farm land, or \$2. an acre times the crop land, whichever is the greater, but not to exceed \$500. a farm. It may be possible to exceed that \$500. limitation on a project provided the state committee's prior approval is granted. We propose to pay not more than half the cost of performing clean cultivation practice, and in no event more than \$7.50 an acre. I would like to have some comment on that, and it is up to you folks to get this job done. You fellows are going to have to establish this, although we have certain regulations that must be observed. Another thing we would like to have discussed is the one-year program on weeds. We would like to see a two or three-year program, and make no payment until some authority can say "The weeds on this farm have been eradicated or controlled." Milford and Jerry will help me on the questions you folks ask. Let's hear from some of the southern counties where this proposition is pretty hot. What do you folks want in the way of weed control?

Washington County: In our county the weed control setup is county-wide. There has been a lot of weed control, and lots of places are controlled one year and not the next year. You can't control morning glory or White Top in one year's cultivation. If you don't stay with it long enough to eradicate the weeds, it does more harm than good. In my estimation, there should be no payment at all made on the first year, but make the final and largest payment whenever the land shows the weeds are eradicated. I have been cultivating for five years and I have found that on ground I can keep wet and cultivate from 10 to 12 times per year, I can eradicate morning glory in two years. But on ground that can't be wet, it can't be done. I believe in the cultivation of any of these weeds, that the first year's payment, if any, should be very small; make the balance of the two-year's payment come at the end of the two years if the ground is clear. Or make it small if the ground isn't cleared and make the largest payment at the end of the third year or when the ground is cleared.

Watson: That is just about our idea of it.

Canyon County: I don't know how weed control is handled in other counties, but in Canyon county we have all worked in cooperation with the county commissioners, and for some reason or other they have reduced their appropriation for weed control in 1945. When I noticed that, I was inclined to think that they did it because they thought the Triple-A would be willing to take the job over. Now this plan of working in cooperation with the other agencies and with the county is a good plan. I think this is one of the most important problems we have, and I would rather see more interest put on that than any other practice in the docket, but I would like to see some definite plan worked out with our other agencies and the county commissioners.

Watson: There is quite a lot of agitation to bring this to the attention of the state legislature, and they are working on weed control now. Weed control for 1945 and 1946 has been discussed with legislators, and I think we will get an appropriation from the state. But it is up to you folks to get the appropriation from the county, and it is up to you to go to the county commissioners and convince them of how important it is.

Lincoln County: There is one point that I would like to bring up. I am from Lincoln county. All of our water comes in through the north end of our county, and the weeds in that section are taking over the land. If weeds are not



controlled up there, they will infest all of the new land that is being put in below in our new irrigation settlement. In limiting the funds available to fight noxious weeds on those farms, it would hardly be fair to the other fellow because, unless they are stopped up there, the men in the lower county are going to have them too. It looks to me as though all of the crop land of the county should be considered and weeds fought where they are now, instead of letting them get down below and having to fight them again.

Watson: I think that is a good idea. There isn't much use for us to try to eradicate weeds on the farms unless we can stop them at the source. We think the change we are going to make this year is one big step forward in educating not only the farmers but other people regarding this infestation.

Jefferson County: We are right where the South Fork enters the Snake River Valley. Up the river on both sides is a mass of noxious weeds which enter through both channels. I don't see how we can get rid of our weeds entirely unless we get rid of those weeds up the line. It is going to be an awful job so long as we have that condition there. I think we really will have to work in connection with other counties and even other states in order to get rid of that.

Vaught: Are those weeds on public or privately-owned land?

Jefferson County: They are on both. It seems to be a sort of natural condition, and also on the sheep range. They run down the little creeks and streams, and we don't know where they come from -- only that they are there.

Vaught: We have a big problem on weeds coming off our public lands. If we get enough public opinion centered on that thing, the time will come when something will be done, perhaps as a post-war project. In the meantime, we can attempt to control or eradicate them on our own lands.

Twin Falls County: I think the only way to get a farmer weed-conscious is to have him pay for part of the control himself. Twin Falls county is going to assume a certain amount of the expense itself, and the money will be paid directly by the taxpayers. If we set up this AAA practice of not paying over 50 percent of the cost or more than \$7.50, will that be a standard payment?

Evans: The way we would like to have it would be: "The payment would be half of the actual cost of the material, not to exceed a certain rate. But that payment would not be further reduced by any aid that might be furnished by the county commissioners if the county commissioners do not furnish more than 50 percent of the total cost of performing the practice."

Jefferson County: I happen to be on the weed committee of the Idaho State Grange, which represents almost every county in the state. We thresh this over pretty thoroughly from time to time, but we have decided the best we could do was try to control the weeds until we could get labor to really kill weeds. We have cultivated them for years and still weeds come up, and, if you let up on cultivation a bit, they will cover the whole place again. We started in to try to control the weeds at the source at the head of the canals, where weeds have been flowing down a few at a time. It is impossible to control them with a limited supply of labor. I think a small payment for the control of these weeds would cause the farmers to get after them and keep them under control until such a time as we can start in a program to eradicate. That's the substance of the thinking of the Idaho State Grange, because with the shortage of labor and machinery, you could hardly carry on an eradication program right now.



Custer County: We just started weed control measures in our county this fall. In getting the cooperation of the county commissioners, we prevailed upon them to make a tax levy in our county for noxious weed control work, and this money will probably be used to hire a supervisor for the county to go around and show the farmers how to eradicate weeds by the most successful methods. A lot of our people are not familiar with them and don't realize how serious they are, especially thistle. I don't think it would be fair to limit them, because some weeds are places where they could not be cultivated. As a suggestion on that limitation business, I would say we consider limiting the payment to \$2. per acre for the farm land for the county rather than for the individual farm. That would make a blanket spread so long as a whole area is infested. They could then go ahead and get expenses where they can't furnish it themselves and so protect the other fellow down the valleys. That is one of the most pronounced problems in our county, and the limitation would really hurt in our county.

Watson: Your suggestion of placing \$2. an acre limit on the amount of crop land in the county would permit the county committee to go out and determine the land where they want this work done. But at the present time, I don't think we can go that far.

Unidentified Person: Our county commissioners have appointed a weed control man and have had him for years. He has gone to bat on the most-infested farm there. We are going to be a weed control area so we can force the non-resident farmers to take care of their weeds.

Watson: Well, I see our time is getting very short here and I believe we will have to dispense with any further discussion on means of controlling noxious weeds at this time. I would like to suggest, however, that every committeeman here give quite a bit of thought to the best ways of controlling and eradicating weeds in your own particular county so that we may go more into detail when we are holding plansheet meetings out in the counties next month.

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Current Programs Handled by AAA

Brief discussions also were held covering the following programs to be administered by AAA in 1945:

DRY PEAS: A discussion led by Alvin V. McCormack resulted in the following recommendations as a possible means of obtaining the necessary reduction in dry pea acreage in both Idaho and Washington this year:

1. State committee shall determine county goals.
2. County committee shall establish individual goal on each farm. The final farm goal to be established on the farm after personal contact with the operator and goal adjusted to rotation.
3. At time of harvest dealers will buy peas only after having received an affidavit from the grower to the effect that he has seeded within his goal acreage. This affidavit on which the pounds and acreage involved are recorded to be in triplicate, a copy of which is to be sent to the county AAA office. This affidavit to contain a statement to the effect that the signer agrees to make proper monetary adjustments if found to have sold more than the production of his goal acreage.
4. If a farmer has exceeded his goal acreage the dealer will buy only that amount of peas which the county AAA committee has determined to be the production of his goal acreage less the amount of seed normally reserved.
5. The quantity that the dealer may sell to the government be established on a percentage of the average of his 1943 and 1944 crop sales. The percent to be established either on basis of pounds sold or acres those pounds represent, whichever it is determined would be most accurate to assure seasonal movement of qualified peas to the government.

Both representatives from Washington state and Idaho assisted in making the above recommendations.

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CROP INSURANCE: (Reviewed by John P. Mix)

First, let's review our insurance program here in Idaho for the last five years. Crop insurance on wheat was in effect in Idaho for five years, 1939-43, and at the end of the 5-year period this state had paid out indemnities amounting to approximately 57,000 bushels more than had been collected in premiums. The severe rainfall condition of 1941 attributed most toward this loss, and it is believed that had crop insurance remained in effect here for one more year perhaps this condition could have been remedied.

Full details of our 1945 program are not yet available but here are our tentative plans:

This year all contracts signed will cover a 3-year period, beginning with the 1945-crop spring wheat.

A new provision added this year requires that before a crop insurance program may be set up in a county, at least 50 worksheet farms or one-third of the wheat farms within the county, whichever is the smaller, must carry insurance. Congress has decided that the Federal Crop Insurance Corporation cannot afford to set up an insurance program in a county unless at least 50 farms are covered with insurance.

It appears now that the yields will be slightly higher with about the same distribution per farm. We rather expect to have a flat rate set up to cover either a county or a given area. With a flat rate it may result in the cost to the producer being a little higher on lower-yielding farms than before.

We may have a different system of selling insurance. As before it will be carried on along with the plansheet sign-up campaign, but it will be conducted on a salesmanship basis instead of each county's being allocated so much money with which to administer the program. In other words, this insurance will be sold on a flat-rate-per-application basis plus a bushelage premium when the application is completed.

Also, we have a little different system of handling adjustments -- one known as a 50-80 plan. For example, if a farmer's crop suffered winterkill and he requests release of his land to seed to another crop, we will release it and pay him 50 percent of his maximum coverage. Under the 80 percent part of the plan, if a farmer suffers a crop loss and fails to thresh his wheat, we will pay him only 80 percent of his insured coverage, figuring that saving the cost of threshing will make up the difference.

Likewise, we have a little different system in administration. A representative of the Corporation will be housed with the state Triple-A office and will have complete authority regarding losses, whereas he will have no authority over selling the insurance, handling yield and rate work or collecting premiums. This will be handled by Triple-A.

(Takes poll of counties who think they can carry insurance this year.)

We hope to have more definite information on this program in the very near future and will forward it to you as soon as possible so that we may get the program rolling.

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SPECIAL SERVICES: (Conducted by L. F. Ronstrom)

The current programs to be handled by Special Services during 1945 were outlined. These included lumber, copper wire, transportation and the tire situation, crawler tractors and construction -- both on-farm and off-farm. It was pointed out that the shortage of crawler-type tractors throughout the crop year and the shortage of trucks to move produce during our rush seasons probably would be our greatest problems. A great deal of emphasis was placed on getting trucks and tractors repaired now insofar as possible instead of waiting until they are needed. Much emphasis also was placed on conserving tires now on farm vehicles as the supply for replacements is critically short. Also, county committees were advised to fully explain the applicant's farming operations when a crawler tractor is requested so that the few tractors that may become available will be used to fill the most urgent cases.

11/11/45



PLANSHEETS: First, let us review the plansheet and what information we want on it. Plansheets have three separate functions, namely: (1) to gather information as to what the operator intends to do in the coming year insofar as conservation is concerned and what he is entitled to do under the program; (2) a record of the crops and land uses for statistical purposes; and (3) the contact you have with the operator and the possibility which you have in explaining other programs and in giving him information on his farming operations for the coming year.

It is the duty of the person who fills out the plansheet -- usually a committeeman -- to explain to the farmer each practice that would qualify him for a payment and where it could be carried out. Fully stress that prior approval by the county committee must be obtained. Give him all the information pertaining to the program that he wants.

Provision is made for us to attempt to collect quite a bit of information regarding noxious weeds on our farms. We would like to know the estimated amount of weeds on a farm, the amount the operator intends to control this year and the methods he plans to use. Detailed procedure covering this item will be found in the plansheet instructions.

Give a complete estimate of the amount of practices involved and express the essentiality of having the plansheet completely executed. This year it is most necessary that every plansheet be carefully worked out as the limited amount of money that will be available will be apportioned to the counties and then on down to the farm on the basis of what is shown on the plansheets. Allowances for each farm are definitely in the picture this year. Allowances will not be determined by any formula but rather will be established on the basis of the conservation needs for each farm as reflected on the plansheets. The deadline for completing plansheets is May 1.

PURCHASE ORDER PLAN: The Purchase Order Plan is an arrangement set up whereby conservation materials such as phosphate, lime or borax, and other services, including certain seeds or any other materials approved for use in this program, are furnished to farmers through local sources. The county committee issues a purchase order certificate to the farmer for the material or service. The farmer takes this certificate to a local dealer to obtain the approved material. The value of the certificate is the same as the amount which the farmer would otherwise be paid under the program for carrying out the practice involving such material. The dealer will furnish the material or service designated on the order. If the material or service amounts to more than the purchase order specified, the farmer will have to pay the balance. After the material has been delivered the dealer then returns the purchase order to the county office for payment of the amount of the purchase order. The total price of the material cannot exceed a "fair" price determined by the county committee.

It is not necessary that county committees adopt the Purchase Order Plan for their counties. We are asking, however, that each county consider the plan carefully to see if better service can be given their farmers if the plan is adopted.

The supply of phosphate available this year in the nation will be about the same as last. Since we have the new Simplot Processing Plant at Pocatello, which turns out 18 percent superphosphate, the supply here in Idaho probably will be a little better than in other states. At any rate, we will have an adequate supply if it is used correctly and efficiently.





Summary of Conference

by G. F. Geissler, Director, Western Division, AAA

You have had a fine meeting. You have covered almost every subject. You have not only discussed but arrived at solutions. You have laid your plans effectively and now you will be able to do a good job. I have been particularly interested in comments made this afternoon with regard to county activity. Whenever discussion arises, immediately there becomes noticeable slight differences in approach to suit local conditions. That is as it should be.

As I look back over the last few days, I see several high points brought out in this meeting which we don't want to forget. One was raised by Mr. Spoor. He was quite frank in connection with the war in Europe when he said we brought it upon ourselves. In connection with the present condition of agriculture and the prospective problems which might be facing us, Werner Meyer was very thorough and quite optimistic, and rightly so, to give us courage and at the same time a realization that optimism is not justified unless we take definite steps. Our optimism must be realistic.

It seems to me that the highlights of the whole conference was Dr. Adams' talk last night. It has brought to me again a realization that probably our greatest fault and greatest weakness is that we labor under the illusion that all farming is done on the farm. That isn't true today. I have had a lot of experience in organizing cooperative organizations and in the management of cooperative work. I have seen those things function from local marketing places to miller and finally to the consumer in my association with other organizations in handling, processing, transporting and storing agricultural commodities. In four and one-half years in Washington, listening to discussion in agencies and in Congress, we reach determinations which mean more dollars or less dollars to the man on the farm regardless of what he is doing on the farm. As I said on the first day, we ought to take just as keen an interest in off-farm farming as on-farm. I don't think we can ask anybody else to do that for us, although many people will volunteer. I believe our interests are better served if we do that job ourselves.

In regard to remarks Mr. Rice made this morning, there was a lot of food for thought there. I have seen every state in this union except two. I am telling you that by no means even yet are we completely appreciative of what has happened to our soil resources in this country. Not too much emphasis can be placed on the conservation job we have ahead. We can pride ourselves on accomplishments in our short lifetime as an organization. Yet I doubt if we are even breaking the surface today. It is a real serious job we have on our hands.

We worry a lot about surpluses and they have been a problem with us in the past. I can visualize that if a meeting were held here a score of years from now our problem very well could be how in the world can we produce enough to feed our people rather than what we should do with surpluses. You can't travel about and see soil blown away and see what results are taking place without becoming very much concerned.

I don't feel that I am competent to give you any advice of how to operate here. You have the determination, ability and vision and are planning to do it yourselves. You will get the job done regardless of what the job is going to be. You folks haven't any idea how good it has made me feel to be able to meet with county committeemen. That is where my roots have been all the time. I don't particularly worry about the future of agriculture because we have 100,000 committeemen to depend upon all over the nation. But it is a job of eternal vigilance to see that agriculture is taken care of in the best interests of agriculture, the nation and the consumers of the nation.

I appreciate your kindness while I have been here. I hope that next year we can have a meeting like this again, when our boys will be home again and we can spend our time making plans for a permanent peace and a prosperous agriculture.

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